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**THE SOVIET UNION, HONG KONG,
AND THE COLD WAR, 1945-1970**

Michael Share

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THE SOVIET UNION, HONG KONG, AND THE COLD WAR, 1945-1970*

Introduction

The former British Crown Colony of Hong Kong played a Cold War role disproportionate to its tiny size. Located on the South China coast, it became one of the world's greatest financial and trading centers and ports. Roughly equidistant from Korea and Vietnam, those two Asian countries where Cold War military conflicts took place, Hong Kong was also a crucial Western espionage listening station for China, and the scale of American and British intelligence-gathering efforts rivaled those in Berlin.¹ Historians and political scientists have examined Hong Kong's own role in the Cold War, and Chinese, Taiwanese, British, and American activities in Hong Kong during the conflict's first quarter century, up to the early 1970s.² Lacking archival sources until recently, to date no historian has examined Soviet policies and actions in Hong Kong. Most historians suggest that the Soviets had no policy toward Hong Kong, where after 1948, when all remaining Soviet officials in the territory were asked to leave, they had no permanent personnel, and that they considered Hong Kong too insignificant, small, and distant to require

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¹ The American Consulate was the largest in the world, devoted mainly to "listening in" on developments in China. As Soviet and local Hong Kong officials noted, some 280 personnel, twenty-nine of them Vice Consuls, worked at the Consulate. See the Archive of Foreign Policy of the Russian Federation (hereafter AVP RF), f. dvo, op. 42, d. 50, "Report by Vice Consul, V. Kapralov, Canton," 1955, p. 36; *Ta Kung Pao* (12 January 1958); *South China Morning Post* (26 September 1954), "Activities of U. S. Agents"; The United States National Archives (hereafter NA), State Department to US Consulate, HK, 12 December 1958.

² NA, 746g.00 "The Crown Colony and the Cold War" (*Die Kronkolonie und der Kalte Krieg: Kleiner politischer Reiseführer durch Hong Kong*) prepared for the German Consulate General in Hong Kong by Mr. Klaus H. Pringsheim, and subsequently made available to the American Consulate. On British policy in Hong Kong see Qiang Zhai, *The Dragon, the Lion, and the Eagle: Chinese-British-American Relations, 1949-1958* (Kent, Ohio, 1994); on American policy see Nancy B. Tucker, *Taiwan, Hong Kong and the United States, 1945-1992* (New York, 1994); and on Chinese policy, both Nationalist and Communist, see Steve Tsang, "Strategy for Survival: The Cold War and Hong Kong's Policy toward Kuomintang and Chinese Communist Activities in the 1950's," *Journal of Imperial and Commonwealth History*, v. 25, no. 2, (May 1997), pp. 294-317.

any specific policies. Western and Russian historians alike argued that Hong Kong, a British colony in China's shadow, was merely a sideshow in Soviet policies toward China and Britain.³

Recently opened Russian archives, notably those of the Foreign Ministry, demonstrate that this perception is at least incomplete. This article examines the following issues: Soviet activities in and around Hong Kong between 1945 and 1970, focusing particularly on economic and strategic affairs, but also including political and cultural activities; the role of Hong Kong in the thinking on strategy and defense of both Western and Soviet policy makers; the impact of Soviet activities toward Hong Kong on Sino-Soviet relations; and the manner in which the Sino-Soviet split affected Soviet policies and actions toward Hong Kong.

Throughout the twenty-five years after 1945, Soviet policy towards Hong Kong was informed and affected by the conflicting pressures of Marxist-Leninist hostility towards British colonial rule, Soviet strategic rivalries with Great Britain and the West and—during the 1960s—with China, and a certain Soviet desire to profit from Hong Kong's economic potential. From 1945 onward Cold War considerations led the Soviet Union to show genuine interest in Hong Kong and undertake numerous political, economic, and cultural activities targeted specifically at Hong Kong. Until the Sino-Soviet split developed in the late 1950s, Marxist-Leninist ideology seems to have been the paramount factor governing Soviet policy toward Hong Kong. In accord with its repudiation of Western imperialism and colonialism, the Soviet Union followed the rhetorical line of the People's Republic of China (PRC), that Hong Kong was an integral part of China, which should be returned forthwith, while simultaneously deferring to the PRC's decision to acquiesce in continued British rule in Hong Kong, a triumph of economic pragmatism over ideological and anti-colonial imperatives. Especially after the Chinese Communists took power in 1949, the Soviet Union would not act independently of the Chinese in Hong Kong. As the breach between Moscow and Beijing broadened in the 1960s, economic factors became more significant. Recognizing Hong Kong's growing economic strength as a major port and financial and commercial center, the Soviet Union sought to open offices in Hong Kong, hoping to expand its trade and other activities in the territory, despite its continuing British colonial status. Even so, throughout the 1960s ideological anti-colonialism still informed Soviet policy, as did its broader Cold War geopolitical rivalry with Britain and the West, who controlled Hong Kong. The Sino-Soviet split might seem to have freed the Soviet Union to exploit Hong Kong's economic possibilities, yet this was not the case; paradoxically, it functioned as yet another constraint on Soviet hopes of utilizing either the economic or the informational potential of Hong Kong, where it was tacitly understood that the British would discourage activities by third countries which China might consider undesirable. Ultimately the trilateral tug of war between ideology, Cold War *realpolitik*, and economics

³ The only Russian history of Hong Kong is P. M. Ivanov, *Gonkong* (Moscow, 1990).

made Soviet Cold War policies toward Hong Kong both inconsistent and effectively fruitless, a symptom of Moscow's inability to disrupt the implicit Sino-British consensus on Hong Kong.

New archival evidence also elucidates the divisions among the individuals and agencies formulating Soviet policy toward Hong Kong. The Soviet Communist Party (CPSU) central party apparatus tended to be ideological, whereas the Foreign Ministry was generally more pragmatic. Within the Foreign Ministry itself, policymaking was divided between China hands and British experts. Until 1956 most Soviet reports on Hong Kong came from the Soviet Consulate in Guangzhou (Canton), and the remainder from the Beijing embassy. As Sino-Soviet relations deteriorated, valuable sources of information from the Chinese Military Control Commission, a section of the Foreign Affairs Bureau, dried up; moreover, in the early 1960s the Soviet Consulate in Guangzhou was closed down. All subsequent reports on Hong Kong came from the Soviet embassy in London or to a lesser degree from the Soviet embassies in Bangkok, Manila, and Rangoon. Soviet experts on Britain tended to view British control of Hong Kong fairly favorably, recognizing Hong Kong's burgeoning economic and financial strength, and sought at least some relationship with the territory; but to accomplish this, the Soviets would have had to reach some accommodation with Hong Kong's British colonial overlords, a task at which they never really succeeded. Divisions between Foreign Ministry officials and specialists from the Central Committee's International Department, together with splits between Chinese and British experts within the Foreign Ministry, helped to stymie efforts to develop a successful and consistent policy toward Hong Kong, endeavors whose potential success in any case would probably have fallen victim to the longstanding Anglo-Soviet Cold War antagonism.

The Formative Years of the Cold War, 1945-1948

Soviet Organizations in Hong Kong, 1945-1948

Soviet officials of the mid-1940s viewed Hong Kong rather contemptuously, as a poverty stricken land "infested with prostitutes, thieves and ex-warlords," but they also recognized its significant strategic location.⁴ Soviet observers realized that, among the Western allies, the United States would play the most prominent role in the post-Second World War international system, demanding close monitoring of its activities.⁵ As the United States emerged as the Soviet Union's most significant Cold War adversary, expanding American activities in Hong Kong brought closer Soviet scrutiny of the territory. When the Second World War neared its end in 1945, the question of whether the British or the Chinese would control Hong Kong after Japan surrendered remained undecided. Japanese troops had humiliated British forces in December 1941, when they swiftly captured Hong Kong after a two-week campaign. The Guomindang

⁴ The Russian Center for the Preservation and Study of the Documents of Contemporary History (hereafter RTsKhIDNI). f. 17, op. 128, d. 994, April 1946, p. 268.

⁵ AVP RF, f. 1dvo, op. 34a, d. 15, "Information about Hong Kong" 24 November 1946, p. 6.

Nationalist Chinese government headed by Jiang Jieshi [Chiang Kai-Shek] demanded “the recovery of all territories, including Hong Kong, lost in the preceding century of ‘humiliation’ through a series of ‘unequal treaties’ to restore China's rightful place in the world.”⁶ United States President Franklin D. Roosevelt, who deprecated British colonialism, firmly supported Chinese aspirations to recover Hong Kong, but he died in April 1945, and his successor, Harry Truman, took a less negative view of British imperialism and had little sympathy for Jiang and his government. Jiang himself sought British support in his internal struggle with Mao Zedong’s increasingly powerful Chinese Communist forces and, on learning that a British fleet had been dispatched to recapture Hong Kong and receive the Japanese surrender, he declined to order his nearby military forces to hasten to regain Hong Kong for China. Rather, he feared a potential takeover of Hong Kong by neighboring Communist guerrilla forces.

After retaking Hong Kong, the British reneged on their wartime promise to negotiate its future with the Chinese government, which lacked the leverage to force the British even to hold talks on Hong Kong, let alone leave. Jiang Jieshi faced numerous problems, including a brewing civil war with the Communists, raging inflation, an ineffectual army, and a country ravaged by war. Without British goodwill, his forces could not utilize Hong Kong port facilities for transportation to fight the substantial Communist forces in north China in an attempt to regain control there. In addition, the United States government, upon which Jiang depended for economic and military assistance, urged that, rather than antagonizing the British over Hong Kong, he should fight and defeat the Communists within China.

Immediately after the war the Soviet Union, which enjoyed reasonably friendly relations with Jiang, demanded that Britain return Hong Kong to China. On 16 February 1946 an article in *Pravda* applauded China's “just desire to recover a sovereign territory and to abolish unjust treaties”, characterizing Hong Kong as an “outpost of British economic aggression and a memorial for the unjust Opium Wars.” This article also suggested that Britain’s continued possession of Hong Kong impeded China and Britain from developing friendly relations.⁷ On 15 May a subsequent *Pravda* article stated that ethnic Chinese in both China and Hong Kong supported the territory’s return to China, and further declared that, since almost all Hong Kong’s population was Chinese, continued British possession of the territory violated the principles of the Atlantic Charter, which endorsed the right of all peoples to self-determination.⁸ The Soviet Union criticized the Chinese government's passive stance of essentially waiting and hoping for Hong Kong’s return, declaring that historically China was entitled to regain Hong Kong, and therefore it should

⁶ Steve Tsang, *Hong Kong: An Appointment with China* (London, 1997), pp. 34-35.

⁷ *Pravda*, 16 February 1946; and the Public Records Office (hereafter PRO), FO 371, 53598. Unfortunately, the author found no documents in the Russian archives which support the thesis of the *Pravda* articles.

⁸ *Pravda*, 15 May 1946.

publicize its case internationally and quickly formulate a plan to bring about its return.⁹ Between 1945 and 1970 this demand for Hong Kong's immediate, unconditional return to China formed the ideological bedrock of the Soviet position on the territory, embodying its fundamental opposition to all manifestations of Western imperialism and colonialism, remaining a constant not only as control of the mainland passed from the Nationalists to the Communists, but even during the fierce Sino-Soviet antagonism of the mid to late 1960s. Soviet officials nonetheless recognized that, as Nikolai Fedorenko of the Soviet embassy in China commented to his Foreign Ministry after visiting Hong Kong in late October 1946, unless China enjoyed American support on the issue, it would be unwise even to raise the subject of Hong Kong's return to China. Arguing that, because British control of Hong Kong was so firm, its reversion to China was "no longer a short-term issue." The pragmatic Fedorenko also warned that, should Hong Kong return to China, much of which had by late 1946 "go[ne] into chaos," Hong Kong would probably follow suit.¹⁰

Soviet diplomats noted that Hong Kong and its people had suffered greatly during almost four years of Japanese occupation.¹¹ For the most part they thought poorly of Hong Kong, considering it a "place of opium, prostitutes and displaced warlord émigrés."¹² Yet Fedorenko's visit to Hong Kong caused him to appreciate its potential as a regional communications and trade center, while he observed with some amusement the burgeoning economic competition between Britain and the United States in Hong Kong, a battle Britain was already beginning to lose.¹³ As early as 1946 Fedorenko also noted that "Hong Kong was a link in United States policy—economic and military—in the Far East."¹⁴

As the Second World War ended, there was already a small Soviet presence in Hong Kong. In the fluid period between Japan's defeat in August 1945 and the Communists triumph in China four years later, the Soviet Union maintained economic and propaganda bureaus in Hong Kong, which the British colonial government held in some suspicion, but tolerated until 1948. The old Russian Imperial Consulate in Hong Kong had closed in 1920, and by mid-1948 only two Soviet organizations, VOKS and Exportkhleb, functioned in the territory. Of the two, only Exportkhleb, which the British closed in late 1948, had Russian personnel, while VOKS was manned entirely by Chinese, both local and mainland. Altogether, only twenty-seven Soviet nationals were registered as Hong Kong residents, together with a further sixty-five East European citizens, mostly Czechs and Poles, though these were not necessarily pro-Soviet. Another 224 stateless persons, mostly ethnic Russians, lived in Hong Kong, and around half of these had permanent

⁹ RTsKhIDNI, f. 17, op. 128, d. 994

¹⁰ AVP RF, f. 1dvo, op. 34a, d. 15, p. 9

¹¹ For a fuller description of Hong Kong at the close of World War II see G. B. Endacott, *A History of Hong Kong* (Hong Kong, 1964); and F. Welsh, *A History of Hong Kong*, 2nd ed. (London, 1997).

¹² RTsKhIDNI, f. 17, op. 128, d. 994.

¹³ AVP RF, f. 1dvo, op. 34a, d. 15, p. 6

¹⁴ *Ibid.* p. 8.

residency rights. Many of these were Russian émigrés or their children, and had fled Russia after the 1917 Bolshevik Revolution.¹⁵

While the permanent Soviet presence was minuscule, on numerous occasions Soviet citizens, officials, businessmen, and newspaper correspondents, sought visas to enter Hong Kong, something the British government habitually made very difficult for them. Soviet diplomats from the Chinese embassy, with support from their London embassy colleagues, applied repeatedly for entry visas, but the British government almost routinely denied all such requests, and would only issue transit visas to Soviet citizens. A British Foreign Office report stated: “They all represent a security threat, and in the present state of world affairs it is not proposed to be liberal in giving visas to such persons.”¹⁶ Soviet visitors often simply overstayed the very limited transit time granted to them, usually leading the British government to demand their immediate departure. The Soviet government resented the routine denial to their citizens of entry into Hong Kong, when nationals of virtually all non-Communist countries encountered no problems entering Hong Kong and many did not even need a visa. A. F. Roshin at the Soviet consulate in Guangzhou suggested to the Foreign Ministry that the Soviet government refuse visas to British subjects wishing to travel to the Soviet Union, making it clear that the reason for the refusal was the British government’s denial of Hong Kong visas to Soviet citizens. However, the Ministry rejected his advice, stating: “The point of view of the Far Eastern Section is that Soviet citizens in Guangzhou who want to go to Hong Kong, about which Roshin speaks in his telegram, are not numerous enough to make it a major issue.”¹⁷ For several more decades, until the collapse of the Soviet Union in 1991, Soviet citizens found it virtually impossible to obtain visas to enter Hong Kong, and those few who did so were routinely followed by Special Branch agents of the Hong Kong police, while the United States Hong Kong Consulate habitually reported back to the State Department in Washington on the arrivals, movements, and departures of all Soviet and East European visitors.¹⁸

Tight restrictions on the movements of Soviet citizens to and within Hong Kong notwithstanding, both the British and American governments believed the colony harbored numerous ethnic Chinese serving as Soviet agents, most, they assumed, working as journalists or editors on left-wing Hong Kong newspapers and magazines. Some apparently distributed pamphlets claiming the United States sought to revive German and Japanese military power for use in a war against the Soviet Union, while others collected and conveyed to the Soviet Consulate in Guangzhou information on Hong Kong’s political, economic, and social

¹⁵ NA, Airgram from US Consulate to State Department, 31 March 1948.

¹⁶ PRO, FO 371, 1018, 1948; AVP RF, f. 1dvo, op. 42, d. 116, p. 6. In late 1949, Hong Kong had a total population of 1.8 million people, of whom 14,000 were foreigners, excluding British troops.

¹⁷ AVP RF, f. 1dvo, op. 42, d. 75, 19 May 1949.

¹⁸ PRO, FO 371, 177697, letter by E. G. Willan, HK Government, to the Colonial Office, 17 February 1964. NA, Circular Airgram, 8 March 1948.

situation. American and British officials claimed the Soviet government financed these agents. On 22 September 1946, the American consulate sent Washington a list of some ten individuals it claimed were Hong Kong-based Soviet agents. Several were wealthy or even millionaires, and most had been well educated, often at British universities, and spoke English, while none had either studied in or even briefly visited the Soviet Union. None, moreover, had undergone the military or police training that might have been expected of agents, though one of them, Wang Yau Min, was nicknamed “Stalin Say”, since he was reputed to approve or disapprove whatever Stalin’s current line might happen to be.¹⁹

Exportkhleb, an official Soviet trading firm with offices in both Hong Kong and Guangzhou, had handled Soviet commerce in Hong Kong since before World War II, only closing its doors during those few months of 1945 when Japan and the Soviet Union were formally at war with each other. In 1948 a British intelligence report noted that “Soviet ships have been coming to Hong Kong on the average about one or two a month, trading from Vladivostok or from North Korean ports.”²⁰ Soviet officials found Hong Kong useful as an entrepot to facilitate the transit of goods from Southern China to both the Soviet Union and to Communist-dominated Manchuria and North Korea. Soviet vessels delivered to Hong Kong such products as window glass, ammonia, soya beans, and Siberian deer antlers for Chinese medicine, in exchange loading cargoes of such minerals and metals as wolfram, tin, antimony, and tungsten. The Americans even claimed the Soviet Union smuggled “narcotics produced in the North, which were then shipped to Hong Kong in exchange for tungsten.” As Southern China drifted ever deeper into civil war and anarchy, the Soviet Union found Hong Kong a convenient and reliable source for products from that region.²¹ Between 1946 and 1948 Hong Kong’s exports to the Soviet Union annually amounted to several hundred thousand American dollars.²² Soviet imports to Hong Kong were far smaller, leaving the Soviet Union with a huge bilateral trade deficit.²³ In late 1947, however, deteriorating Soviet-British relations led the British and Hong Kong authorities to expel from the territory Piotr Sizov, director of the Hong Kong Exportkhleb office, and Nikolai Ivanchenko, a stateless Russian, replaced him. In 1948 the Hong Kong authorities successfully sought permission from the British government to close Exportkhleb altogether, and implemented this at the end of the year.²⁴

¹⁹ NA, 846G.00, US Consulate Report: “Relations between British Authorities and the Chinese in Hong Kong,” 26 September 1946; “Soviet Personnel in Hong Kong,” 31 March 1948. To date the author has discovered no Soviet archival evidence of any Soviet agents in Hong Kong, but this is by no means conclusive, since he was not permitted to consult the former KGB archive.

²⁰ PRO, FO 371, 1018, “Report on Soviet Activities in Hong Kong, 1948.”

²¹ NA, letter to the US Ambassador in Nanking, from the US Consulate General, Shanghai, 2 September 1947.

²² NA, Airgram from the US Consulate, Hong Kong, to the State Department, 2 April 1947; and RG 84, Hong Kong Consulate, 1948, 110.2-800.

²³ NA, US Consulate in Hong Kong to Washington, 1 August 1947.

²⁴ PRO, FO 371, 1018, “Report on Soviet Activities in Hong Kong, 1948”; and NA, Telegram sent from Consul General Hopper (HK) to State Department, 31 May 1948.

In the early postwar years the second major Soviet organization in Hong Kong was the All-Union Society for Cultural Relations Abroad (VOKS), the major Soviet propaganda institution, which frequently also gathered information on foreign countries. A further objective of VOKS China branches was to develop Soviet ties with Chinese intellectuals and students. As civil war destabilized China, Soviet Vice Foreign Minister Yakov Malik proposed that all VOKS Chinese operations be transferred to Hong Kong.²⁵ Malik believed the British would permit this because the “British try to present the picture that Hong Kong is a ‘bastion of freedom in China’, and do sanction some democratic [i.e., pro-Soviet] newspapers, magazines and organizations.”²⁶ Interestingly, the Soviets also considered Sun Fo, the Chinese VOKS director, to be anti-Soviet, and sought to remove him by persuading members of the newly reopened Hong Kong branch to publish an open letter harshly critical of Sun in “progressive” Hong Kong newspapers.²⁷ Soviet Foreign Minister Vyacheslav Molotov refused to shut down all VOKS activities in China, but did agree to transfer the Chinese VOKS headquarters to Hong Kong, and by early May 1948 the organization had moved its Nanjing and Shanghai offices there.²⁸

VOKS published and distributed Chinese language magazines describing Soviet cultural and economic life. It produced, for example, 100,000 copies of a hundred-page magazine, *Svobodnaya kul'tura*, (Free Culture) featuring such articles as “Freedom of Literature in the USSR” by Mao Dun, and “Study of Shakespeare in the USSR” and a “New Path of Soviet Linguistic Science” by Lin Chiu, together with translations of recent Soviet literature, information on which Hong Kong bookstores stocked Soviet books, and features on Russian museums for any potential Chinese tourists. The Soviet authorities concluded that Soviet materials, especially articles of a political nature, could be published far more freely in Hong Kong than within China itself.²⁹ VOKS and Exportkhléb both imported Soviet books and gramophone records into Hong Kong, including Chinese and English translations of works on and by Lenin, Stalin, Marx, and Gorki, together with Soviet history. In 1948 VOKS mounted a photo exhibition, “Soviet Sculpture and Graphics,” although its Hong Kong representatives reported to Moscow that they had encountered difficulties transporting exhibition materials to Hong Kong.³⁰ VOKS also showed Soviet films, albeit rather infrequently: in 1946, for example, it offered only two Soviet films, both Second World War documentaries, and had to charge very low rental fees to encourage cinema owners to screen these.³¹ The British government was conversant with these activities. Somewhat ironically, Guy Burgess, the Foreign

²⁵ AVP RF, f. 1dvo, op. 41, d. 125, letter to V. M. Molotov, 25 April 1948, p. 41.

²⁶ AVP RF, f. dvo, op. 34a, d. 15, p. 11

²⁷ AVP RF, f. 1dvo, op. 41, d. 125, letter to Ya. Malik, 12 April 1948, p. 40.

²⁸ AVP RF, f. 1dvo, op. 41, d. 125, letter to V. S. Kamenev (head of VOKS) from G. Tiunkin (head of the Far East Department at the Foreign Ministry), p. 42.

²⁹ AVP RF, f. 1dvo, op. 41, d. 125, “Report about the work of VOKS,” 1948, p. 100

³⁰ Ibid

³¹ NA, Telegram from G. D. Hopper, Consul General H.K., to the State Department, 1946, p. 3

Office functionary later unmasked as a Soviet spy, wrote a report indicating that it would be interesting and informative to learn the titles of those Soviet films shown in Hong Kong working class districts, commenting: “The Russians continued to take an interest in Hong Kong from the commercial and propaganda angle. They are anxious to obtain a foothold in the colony.”³² The Soviets privately confessed that their cultural activities in Hong Kong faced obstacles. A Hong Kong law banning mass gatherings, for example, made it difficult for them to hold large meetings, while only the Communist press, whose circulation was smaller than pro-Western newspapers, would publish articles on Soviet life. Few people in Hong Kong could read Russian, translators were difficult to find, and, worst of all, few people wished to read Soviet books or watch Soviet films.³³

As early as 1947 rumors circulated that Hong Kong’s relative freedom and strategic location had led the Soviet Union secretly to open a branch of the Cominform there, successor to the Comintern or Third International. In 1950 reports to this effect appeared in two British and French newspapers, *The Guardian*, which published a piece headlined “Communist Network in Far East: Headquarters in Hong Kong”, and *Le Figaro*. The reliability of their sources was, however, open to question, since *The Guardian* article simultaneously stated that the Kremlin strongly opposed PRC intentions of taking Hong Kong, whereas archival evidence from the Russian Foreign Ministry has revealed the reverse to be true.³⁴ British and American officials differed over the accuracy of such reports. The American Consulate in Shanghai characterized reports that there was at least a Cominform sub-office in Hong Kong as “fairly reliable, but truth can not be judged.” The Consul General even stated that a man named Chiao Cu headed the reputed Hong Kong Cominform office, while the Cominform East Asian headquarters was located in Khabarovsk.³⁵ The British government, by contrast, was exceedingly skeptical toward allegations that Hong Kong or even East Asia housed any Cominform branches, in 1950 terming such rumors an “old story,” for which no real evidence existed, and arguing that if any had been established, logically these would be located in China, which was now under complete Communist control.³⁶ To date the author has uncovered no archival evidence referring to any Hong Kong Cominform branch, suggesting that such reports were unfounded and merely one more example of exaggerated Cold War apprehensions.

The Sino-Soviet Alliance, 1949-1956

Three interconnected developments transformed the Cold War in Asia: the Chinese Revolution, which culminated in October 1949 in the establishment of the Communist People's Republic of China

³² PRO, FO 371, N 3238/1018/38, 1948

³³ AVP RF, f. 1dvo, op. 41. d. 125, “Report about the Work of VOKS,” 1948, p. 100.

³⁴ *Guardian* and *Le Figaro*, 22 September 1950.

³⁵ NA, No. 346, US Consulate General, Shanghai, 29 December 1947.

³⁶ PRO, FO 371, 83264, 1950.

(PRC); the Korean War, which began in June 1950, where North Korean and Chinese Communist troops battled South Korean, American, British, and other United Nations forces; and the Vietnamese anti-colonial struggle against the French. All three helped to modify American and Soviet views of Hong Kong, now perceived not as a sleepy colonial outpost, but as a valuable Cold War base, facilitating Western intelligence collection on Communist China and the conduct of propaganda campaigns and even covert operations against the mainland. Soviet officials also recognized that Hong Kong's port facilities were a desirable military and commercial asset, a naval base which could resupply and repair Western warships, while providing rest and relaxation for their crews. It was also an entrepot channel through which, even when subjected to American embargo, China could trade with the outside world. From the Soviet perspective the optimal solution was that, any potentially damaging economic implications for China notwithstanding, Mao Zedong's Communist forces should take over Hong Kong and "liberate" it from British rule, a course which for pragmatic reasons the PRC government rejected, leaving the Soviets little alternative but to acquiesce in Beijing's restraint.

As Communist victory in China's civil war approached in 1949, the British significantly increased their military and naval forces in Hong Kong, and the British and American fleets conducted exercises in or near Hong Kong waters. A huge influx of refugees from China, which generated higher inflation and unemployment, brought increased tensions within Hong Kong, to which Britain responded by further increasing its garrison, curbing civil liberties, and closing its border with China. Soviet officials scrutinized these developments closely, and the Soviet Consulate in Guangzhou received detailed fortnightly reports of fourteen to eighteen pages on political, economic and social developments in Hong Kong from the Chinese Communist Party's Military-Control Commission, part of the Bureau of Foreign Affairs, which it translated into Russian before forwarding both Russian and Chinese versions to the Far Eastern Department of the Foreign Ministry in Moscow. These reports gave detailed accounts of the activities of American officials or Guomindang agents, especially anti-Communist propaganda, espionage, and terrorist efforts, including bombings and assassinations within mainland China, together with repressive police and military measures imposed by the British. They described strikes and other labor disputes, especially those undertaken by the Communist controlled trade unions, always ascribing the blame for these to mistreatment of workers by employers or the Hong Kong government. Russian officials never queried the accuracy of these reports, suggesting either that they accepted the good faith of the information or that they were fundamentally indifferent to the Hong Kong situation.

After the Korean War ended in 1953, these reports came less frequently, initially monthly, and later only every six or eight weeks. When Sino-Soviet relations began to deteriorate in 1956, Chinese intelligence reports to the Soviet Consulate ceased completely, forcing Soviet officials to base subsequent reporting on their own sources, and causing the Soviets to attempt, for the first time in almost a decade, to

reestablish a presence in Hong Kong. Declining Sino-Soviet relations made accurate information on Hong Kong—and indeed on China—more salient to the Soviets, but many sources were now closed to them. The secret and illegal Hong Kong Communist Party, a virtual appendage of the Chinese Communist Party, gave them no assistance, as those agents the British and American governments had once considered “pro-Soviet” switched their allegiance entirely to the Chinese. Much Soviet information on Hong Kong was therefore derived from the territory’s Chinese- and English-language newspapers.

The Chinese Revolution of 1949 and Hong Kong

During 1949, the Guomindang-led Republic of China crumbled. In the fall Communist forces captured the city of Guangzhou, only a few hours from Hong Kong. On 1 October Mao Zedong proclaimed the establishment of the People's Republic of China, with its capital in Beijing. As Mao's armies neared the Hong Kong border, it was unclear whether they would they stop at the border or cross the frontier and forcibly retake Hong Kong. In response, the British increased their garrison heavily, to some 40,000 troops, supported by tanks, heavy artillery, ships and planes, while publicly claiming they had 60,000 soldiers stationed there.³⁷ At this crucial juncture, the Soviet Union urged the Chinese to annex Hong Kong, believing that continued British control would have only negative implications, and that such an operation carried few military risks. Great Britain lacked the forces, they argued, to withstand a Chinese assault, and its defenses would crumble as quickly as they had under Japanese attack in 1941. The Soviets believed the United States would not assist the British in defending an anachronistic colony, an “outpost of British Imperialism.”³⁸ Following its standard anti-imperialist line, the Soviet Union consistently argued that morally, “without doubt Hong Kong belongs to China. To prove its colonial legitimacy, Britain had invented a theory that its Hong Kong colony had existed before the foundation of an united China. That theory was disproved by Chinese historical documents.”³⁹ During the nineteenth century, the British forcibly took Hong Kong from the weakened Chinese state after the infamous Opium War, subsequently imposing various unequal treaties, which the Soviets believed lacked validity under International law. Neither the United Nations nor any other body could therefore legally oppose China resuming control of territory which rightly belonged to it.⁴⁰

³⁷ Robert Boardman, *Britain and the People's Republic of China, 1949-1974* (London, 1976); RTsKhDNI, f. 17, op. 137, d. 720, 12 May 1951, “Some Facts about Hong Kong.”

³⁸ AVP RF, f. 1dvo, op. 42, d. 118, “American and British Policies in China”, 26 Sept.– 10 Dec. 1949.

³⁹ AVP RF, f. 1 dvo, op. 49, d. 119, “Political and Economic Position of Hong Kong”, 2 March 1956, L. Grachev, Soviet Consulate, Canton.

⁴⁰ AVP RF, f. 1dvo, op. 44, d. 147, D. Savostin, Soviet Consulate, Canton, “Some information about Hong Kong,” p. 13.

Ideologically, the Soviet Union believed a Chinese takeover of Hong Kong would represent the simultaneous triumph of Communism over capitalism and Western imperialism. Furthermore, the Soviets recognized that once Communism triumphed in China, if Hong Kong remained under British rule its own character would change. Stalin habitually sought to persuade his allies to take serious risks to advance Soviet interests. In a long report on Hong Kong, M. Safronov of the Soviet embassy in Beijing stated that the British found Hong Kong extremely valuable, as a business base for English capital in China and as a “place for the expansion of British imperialism in South China. Britain hoped to use the defeat of Japan and its position in Hong Kong to take a preeminent economic position in East Asia.” Hong Kong was already an international exporting and importing center, and in the late 1940s its port turnover ranked eighth in the world. More significantly, as Cold War tensions between the Soviets and Western powers escalated, the British naval base in the Western Pacific Hong Kong threatened the Soviet fleet. Even at this early date the Soviet Union recognized that the United States, its paramount enemy, would become more active in Hong Kong, and “would use Hong Kong as a naval base and a base for intelligence activities against China.”⁴¹ Self-interest and ideology alike led the Soviets to argue the Chinese had little to fear militarily from Great Britain and the United States, while morally and ideologically the Chinese were in the right and should eradicate this potential base for subversion before it could be established.

The Chinese rejected the Soviet advice, replying that they agreed “the liberation of Hong Kong militarily was not a problem. However, military liberation would not be profitable because of the international situation.”⁴² The Soviets correctly believed that while the Chinese used tough rhetoric on Hong Kong’s need and desire to return to China, in reality they found it convenient to leave Hong Kong British, to serve as a trading entrepot and a source of much needed hard currency. “Hong Kong was a place where it was easy to buy and sell hard currency.”⁴³ Thus, from the very birth of the People’s Republic of China, the Soviet Union and China took different attitudes toward British control of Hong Kong. Both countries regarded Hong Kong as an occupied territory and refused to recognize its colonial status. The Soviet Union, however, perceiving only negative implications to British control, favored Hong Kong’s military liberation, whereas the Chinese recognized a number of positive advantages for themselves in leaving Hong Kong British: its excellent harbor and status as a free port furnished China with a commercial outlet, whereby China could obtain access to Western markets and goods, together with the hard currency badly needed to rebuild the country’s war-devastated economy. In Chinese policy, pragmatism prevailed over ideological anti-colonialism. Hong Kong’s continued British administration was less advantageous to

⁴¹ AVP RF, f. 1dvo, op. 42, d. 116, M. Safronov, Soviet embassy, Beijing, “Hong Kong--Survey on the modern Economic Situation”, 26 September 1949.

⁴² AVP RF, f. 1dvo, op. 44, d. 147, D. Savostin, Soviet Consulate, Canton, “Some Information on Hong Kong”, 12 May 1951.

⁴³ AVP RF, f. 1dvo, op 42, d. 116, M. Safronov, Soviet embassy, Beijing, “Hong Kong--Survey on the modern Economic Situation,” 26 September 1949.

the Soviet Union, whose international interests impelled it to attempt to weaken Anglo-American capitalism. Soviets fears that Hong Kong might serve as a base for subversive activities against China and other Communist states and for anti-Soviet Western military operations proved at least partially correct. Yet under Stalin the Soviet Union was exceedingly reluctant to risk direct military confrontation with Western powers, leaving the Soviets little alternative but to acquiesce in China's pragmatic decision to leave Hong Kong under British rule.

Between 1949 and 1955 the alliance between the Soviet Union and People's Republic of China was at its closest. In February 1950 the two countries signed a Treaty of Friendship and Alliance, and they habitually shared intelligence information with each other. The Soviet Union never deviated from the official Chinese position that Hong Kong was an occupied territory, and so never recognized its status as a British colony. Overall, Soviet activities in Hong Kong during this period had no great intrinsic significance, and were never undertaken independent of the Chinese, but were subordinated to China's priorities and concerns. This characteristic may have owed something to Soviet consciousness that the United States, and to a lesser extent Great Britain, hoped the Sino-Soviet alliance would fracture. The Americans, for example, noted the historic Soviet links, going back to the 1920s and predating any similar ties with the Chinese Communists, with the Guomindang. Many of Jiang Jieshi's aides, including his son and heir apparent, Jiang Jingguo, were educated and trained in the Soviet Union. The Americans and British believed that expanding Chinese power and self-confidence would eventually make a split with the Soviet Union more likely. N. Shesterikov of the Soviet embassy in Washington reported: "They believe that China will be a new Yugoslavia, and that Mao will be a new Tito."⁴⁴ Soviet officials also noted numerous Hong Kong press articles predicting the two countries would diverge. The Guangzhou consulate often translated verbatim articles from both the Chinese and English language press before forwarding both translations and originals to the Foreign Ministry. On 12 March 1953, for example, an article in the Hong Kong-based *Far Eastern Economic Review* speculated on the probable impact of the recent death of Stalin on the alliance, declaring: "Despite pronouncements of great friendship, the reality was quite different." The Soviets believed that these articles, which tended to extol Mao as a great revolutionary while "spreading lies about Soviet life," were provocations deliberately designed to create a Sino-Soviet rift.⁴⁵ With good reason, such articles proliferated still further in the mid and late 1950s, when Chinese-Soviet relations quite genuinely deteriorated.

⁴⁴ AVP RF, f. 1dvo, op 42, d. 117, 27 December–15 September 1949, N. Shesterikov, "American and British Hopes for a Resurgence of Nationalism in a Communist China," p. 35.

⁴⁵ AVP RF, f. 1dvo, op. 47, d. 106, "Provocative Propaganda of the English in Hong Kong," 5 January 1954, pp. 8, 21-23.

To their irritation, the Russians discovered that anti-Soviet propaganda was quite pervasive in Hong Kong. In March 1953 the United States Information Service (USIS) circulated throughout Hong Kong an illustrated booklet entitled *Little Moe*, which depicted in Chinese the shortcomings of daily life in the Soviet Union, though USIS requested that this booklet's origins receive no publicity, indicating that American officials believed such information would undercut its credibility. Another pamphlet, *Facts About Communism*, which described the complete absence of workers' rights in the Soviet Union, was distributed among Hong Kong workers, who were considered particularly susceptible to Communism.⁴⁶ In 1954 a State Department telegram to the Hong Kong USIS office urged that the agency also disseminate among Chinese labor and intellectual audiences an address by Secretary of State John Foster Dulles, "Soviet Exploitation of Labor", which stressed that Soviet workers were regimented and had no rights, and that the Soviet Union's entire history proved its Communist experiment had been a total failure.⁴⁷ Soviet officials repeatedly charged that Hong Kong newspapers, publications, and radio broadcasts spread anti-Soviet propaganda and rumors, and deliberately used scare headlines of an alleged "Communist Menace" to discredit the Soviet Union and China. The Soviet consulate in Guangzhou contended that the Hong Kong media diverted the populace with "pornography and Hollywood films", and characterized most of the Hong Kong press as "reactionary", indulging in anti-Soviet hate campaigns and exaggerating the absence of personal rights in the Soviet Union.⁴⁸

Despite the somewhat inhospitable attitude of the British authorities, throughout the Cold War the Soviet Union maintained commercial ties with the territory. Soviet ships loaded with petroleum bound for Guangzhou frequently docked in Hong Kong, returning home laden with wolfram and cassia oil. Vessels from Vladivostok carrying fish destined for Soviet Black Sea or Baltic Sea ports in Europe took on fuel, food, and water in Hong Kong. The United States Consulate noted and reported immediately to the State Department on every Soviet ship that came through Hong Kong.⁴⁹ Soviet statistics, though sketchy, reveal that, as tensions between Communist and non-Communist states soared during the Korean War, Soviet trade with Hong Kong itself declined. In the first two months of 1950, for example, shortly before the war began, the Soviet Union imported goods worth US\$108,771 from Hong Kong, whereas in the comparable two months of 1951, soon after China had entered the war, the comparable figures declined by over sixty percent to US\$40,468. Since no figures are given for Soviet-Hong Kong trade in 1952, it seems none took place, while for 1953 all Soviet-Hong Kong commerce amounted to the negligible figure of US\$2,807. The

⁴⁶ NA, "Little Moe", March 1954.

⁴⁷ NA, "Telegram from State to USIS," 11 March 1954.

⁴⁸ RTsKhIDNI, f. 17, op. 137, d. 720, May 1951-November 1951, p. 11; AVP RF, f. 1dvo, op. 47, d. 106, January 1954, p. 8; AVP RF, f. 1dvo, op. 48, d. 135, 1955, p. 37-38; AVP RF, f. 1dvo, op. 42, d. 50, V. Kapralov, Vice Consul, Canton, 1955, p. 26 and 38.

⁴⁹ NA, Telegram from Hong Kong Consulate to the State Department, 25 January 1952; NA, Telegram from Hong Kong Consulate to the State Department, 4 January 1953.

following year Soviet-Hong Kong trade began to recover, and the Soviets reported its value as US\$36,315. One must bear in mind, though, that in the context of Hong Kong's total international trade, which even in 1954, when it had fallen greatly from pre-1949 levels, amounted to almost US\$60,000,000, Soviet commerce was insignificant, something even the Soviets apparently recognized. After 1954 they ceased even to compile statistics on the subject, and their records never specified which products the Soviets obtained from Hong Kong.⁵⁰

Apart from trade, Soviet activities in Hong Kong focused mainly on cinema. According to a USIS report, Soviet movies "ranged from blatant Communist propaganda to subtle anti-western themes." Some pleased Hong Kong audiences. In 1954, for example, the Russian film "The Circus" was the most popular film shown in Hong Kong.⁵¹ In 1955, four films based on either ballets or operas were shown: Tchaikovskii's *Swan Lake*, Pushkin's *Bakhchisaraiskii fontan* and *Plamia Parisha*, and the opera *Sadko*. Interestingly, the Soviet consulate in Guangzhou noted that the leading pro-British English-language newspaper, *The South China Morning Post*, mentioned the Soviet origin of these films, whereas pro-Nationalist Chinese newspapers listed them but ignored their provenance. The Soviets believed that, since most movie theaters in Hong Kong were either British or American owned and favored Hollywood productions, they were seriously disadvantaged in penetrating the Hong Kong cinema market. Throughout 1954 and early 1955, for example, Hong Kong cinemas screened 380 American, ten mainland Chinese, and only four Soviet films.⁵² Soviet officials also sought to increase the number of Soviet films shown in Chinese cinemas, yet mainland Chinese were often unenthusiastic and, from the Soviet perspective, unnecessarily nationalistic. When the Guangzhou consulate urged that local movie theaters should feature Soviet rather than Hong Kong films, the Chinese authorities either refused or censored the Soviet offerings, and claimed: "Sometimes we have nothing else to show, so we must [show American and Hong Kong films]".⁵³

After 1949 few Soviet books, journals and brochures were distributed in Hong Kong, largely because, once the Chinese Communists controlled the mainland, it was far easier and cheaper for them than for the Soviets to publish Chinese-language books. Since the targeted audience in Hong Kong was Chinese,

⁵⁰ RTsKhIDNI, f. 17, op. 137, d. 720, 12 May 1951, D. Savostin, Consul General, Canton, Briefing background for Stalin and Molotov; AVP RF, f. 1dvo, op. 44, d. 147, D. Savostin, Soviet Consulate, Canton, "Some Information on Hong Kong," p. 18; AVP RF, f. 1dvo, op. 48, d. 135, "Hong Kong and Macau," 1955, p. 50; AVP RF, f. 1dvo, op. 42, d. 50, V. Kapralov, Vice Consul, Canton, 1955, p. 45.

⁵¹ USA, Telegram from USIS (HK) to the State Department, 26 April 1954.

⁵² AVP RF, f. 1dvo, op. 42, d. 50, "Articles of Interest to the Soviet Union in the Hong Kong Press", September 1955, p. 114; AVP RF, op. 49, d. 119, L. Grachev, Soviet Consulate, Canton, "Political and Economic Position of Hong Kong in 1956", 2 March 1956, p. 16.

⁵³ RTsKhIDNI, f. 17, op. 137, d. 720, May-November 1951, Soviet Consulate, Canton, "Political and Economic Situation in Hong Kong," p. 11; RTsKhIDNI, f. 17, op. 137, d. 722, June-October 1951, Soviet Consulate, Canton, p. 117.

the Soviets circulated very few English-language publications. The Hong Kong branch of the United States Information Service (USIS) office forwarded to the American State Department examples of pro-Communist reading materials. Even the USIS admitted that such Soviet activities were minimal, reporting: “There is little or no evidence of direct Soviet participation in Communist propaganda activities in Hong Kong since the Soviets prefer that local parties do the work for them.” USIS further noted that, “where Soviet materials are found in Hong Kong, they are not noted to be especially anti-American.”⁵⁴

The Hong Kong Role in the Korean and Indochinese Wars

At least temporarily the Korean War reinforced the Sino-Soviet alliance, even as it simultaneously enhanced Hong Kong’s strategic significance and generated Anglo-American tensions over the degree to which the colony should subordinate its own economic interests to the anti-Chinese United States trade embargo. In June 1950 North Korea invaded South Korea, swiftly overrunning most of the peninsula. Soon the United States, heading an international United Nations military coalition, which included Britain, sent forces to the beleaguered South to assist it. As American troops approached the Chinese-Korean border in fall 1950, the People’s Republic of China sent “volunteer” forces to defend Communist North Korea. While the actual fighting largely remained localized within the Korean peninsula, Hong Kong played a certain role in the war, which in turn affected the colony and also won it greater Soviet attention. Initially, the war generated increased trade which benefited the Hong Kong economy. As the Soviets had feared might happen, during the war Hong Kong actively assisted the anti-Communist coalition and became a staging post for British and other troops and supplies destined for Korea. Chinese intelligence informed the Soviets, for example, that in 1951 “four thousand cases of weapons, and twenty-five pounds of artillery shells were sent from Hong Kong bound for Korea.”⁵⁵ At the war’s height, near weekly successive further reports to Moscow noted the frequent passage of troops and weaponry through Hong Kong to Korea. British and American military personnel also visited Hong Kong for “rest and relaxation”. Soviet officials told Moscow: “In 1952 during the Korean War, 130 American warships called on Hong Kong. 130,000 American servicemen visited Hong Kong in 1953. Top American military officers also often came to Hong Kong.”⁵⁶

⁵⁴ NA, Communist Propaganda Materials, 1 June 1950.

⁵⁵ AVP RF, f. 1dvo, op. 44, d. 147, N. Matkov, Soviet Consulate, Canton, “Political and Economic Position of Hong Kong,” December 1951; f. 1dvo, op. 43, d. 148, Maliukin, Soviet Consul in Canton, “England Supplies ammunition from Hong Kong to Korea,” December 1951.

⁵⁶ AVP RF, f. 1dvo, op. 49, d. 119, L. Grachev, Soviet Consulate, Canton, “Political and Economic Position of Hong Kong,” March 1956, pp. 11-12.

Throughout the Korean War, Soviet diplomats sent the Foreign Ministry in Moscow detailed reports on the state of Hong Kong, many remarkably accurate. Angered by the fall of China to Communist rule and then infuriated by the new Chinese government's intervention in Korea, the United States imposed an economic embargo on China, closing its huge market to all goods from the People's Republic, and also banning the entry into China of "strategic" American manufactures. Unintentionally, the embargo benefited the Soviet Union, as China traded more extensively with the Soviet Union, which could supply it with various otherwise unavailable commodities, only one example of the many ways in which the Korean war drew the two countries ever closer together.⁵⁷ Soviet observers carefully scrutinized the effects of the embargo, which had a huge immediate impact on Hong Kong, most of whose trade involved transporting goods into and from China. Almost immediately trade fell by twenty per cent, generating higher unemployment within Hong Kong.⁵⁸ British officials compiled a list of over two hundred items normally exported to China that the United States considered contraband, while the American consulate in Hong Kong directed the embargo, supervised its implementation by Hong Kong authorities, and warned Hong Kong businessmen to observe it, admonishing: "If they don't they will be placed on a black list and have their assets frozen."⁵⁹ Fortunately for Hong Kong's economy, the embargo was far from all-embracing, since the British feared that, if Hong Kong were too severely affected, this would precipitate greater social and political unrest, something they naturally sought to avoid. Trade in forbidden commodities continued. While officials at the American consulate demanded that both Hong Kong's Ministry of Trade and Industry and the British authorities assist them in enforcing the embargo, some personnel within the ministry discreetly helped the Chinese evade controls. At the same time Chinese employees in various trading companies were active in breaking the ban on metals and rubber.⁶⁰ Yet even limited restrictions had significant negative consequences for the economy and standard of living in Hong Kong. The embargo also forced Hong Kong to reorient itself economically, developing manufacturing industries in textiles, toys, and others inexpensive consumer goods, rather than simply serving as an entrepot for China.

China's decision nonetheless to leave Hong Kong undisturbed reflected not just Hong Kong's pragmatism, but also British readiness to accommodate the interests of the PRC even when this was detrimental to other Cold War priorities. The embargo also damaged Anglo-American relations, since the British administered Hong Kong government resented American interference. The American imposition of an embargo on China further inflamed relations between the two western powers, because Britain rightly

⁵⁷ AVP RF, f. 1dvo, op. 43, d. 148, G. I. Tiunkin, Soviet Consulate, Canton, "Report to the Foreign Ministry," 28 December 1951, p. 159; AVP RF, f. 1dvo, op. 47, d. 106, p. 29.

⁵⁸ RTsKhIDNI, f. 17, op. 137, d. 722, A. Sergiev, "Reports on the Situation in Hong Kong in the first half of 1951," p. 242.

⁵⁹ AVP RF, f. 1dvo, op. 42, d. 50, Report filed by V. Kapralov, Vice Consul, Canton, 1955, p. 37.

⁶⁰ AVP RF, f. 1dvo, op. 44, d. 147, D. Savostin, Soviet Consulate, Canton, "Some Information on Hong Kong," 12 May 1951, pp 16-18.

viewed the embargo as a danger to Hong Kong's economy and consequently to its own control of the territory. A strictly enforced embargo would greatly restrict trade between Hong Kong and China, causing higher unemployment and lower living standards, which might easily provoke extensive social unrest among the Hong Kong populace. Soviet officials observed: "The embargo caused problems in relations between the United States and Britain as the local Hong Kong government does not appreciate American meddling in Hong Kong affairs."⁶¹ The British administration of Hong Kong therefore quietly allowed various Chinese trading firms and even organizations within the bureaucracy to evade the embargo. The Soviets further realized that, because they viewed Hong Kong as a potential "military base against the People's Republic", the Americans sought to control the local Hong Kong government, but that, whereas the United States encouraged greater activity on the part of Hong Kong-based Guomintang agents, such American attempts to militarize Hong Kong infuriated British officials, who sought to moderate Guomintang and other anti-Communist activities.⁶² From the British perspective, once again the Americans were needlessly provoking tensions between Hong Kong and the People's Republic. Within both Cold War camps, therefore, Hong Kong was a source of intra-alliance tensions, provoking both Anglo-American and Sino-Soviet discord.

Within Hong Kong the Communist takeover of China, the Korean War, and the United States embargo persuaded the British to adopt coercive measures: tighter border controls between Hong Kong and China, curbs on civil liberties, and heightened military readiness. Earlier treaties between China and Britain provided for free cross-border movement of people, but fears that refugees fleeing the new Communist order might overwhelm Hong Kong, and also that Communist spies might pose as refugees, caused the British to impose controls for the first time. Soviet officials observed that free access to Hong Kong ended on 9 May 1950, when the British instituted formal checkpoints and cut direct rail links. In February 1951 the Chinese closed their side of the border, which was now sealed for all but business purposes and would remain so for over two decades.⁶³ The British strengthened border defenses and increased both the size of their garrison and the personnel, powers, and budget of the Hong Kong police. In May 1950 the Hong Kong government passed emergency laws giving it greater powers to ban strikes and demonstrations. In December 1951, the Hong Kong government further declared that the police could make arrests without the sanction of the courts, suspending *habeas corpus*, and they promptly detained two thousand people. The

⁶¹ AVP RF, f. 1dvo, op. 49, d. 119, L. Grachev, Soviet Consulate, Canton, "Survey of the Political and Economic Position of Hong Kong in 1956," p. 11.

⁶² *Ibid.*, p. 14.

⁶³ AVP RF, f. 1dvo, op. 44, d. 147, D. Savostin, Soviet Consulate, Canton, "Some Information on Hong Kong," 12 May 1951, p. 15.

government required all individuals residing in Hong Kong to register with it, and all foreign affiliated organizations had to register with the police and receive their sanction to exist.⁶⁴

Despite the border controls, refugees continued to flood into Hong Kong, and by May 1951 an estimated half million people of all ages and occupations had arrived, expanding Hong Kong's total population to nearly 2.4 million.⁶⁵ The newcomers greatly exacerbated an already severe housing shortage, as most were forced into shantytowns on hillsides, near the sea, or anywhere else that offered available space. As entire families crowded into one room, such dwellings usually lacked running water, electricity, and basic toilet or kitchen facilities, and were constantly threatened by disease and fire. Maintaining stability among the local populace was a major goal of British policy in Hong Kong, and the government feared that their abysmal living conditions would make the refugees susceptible to Communist propaganda. Soviet reports, however, generally characterized them very negatively, as "reactionary elements and criminals" who had participated in American and Guomindang efforts to oppose the Communists and had fled China to save themselves from the well-deserved punishment the Revolution would inflict on them.⁶⁶ Naturally enough, such Soviet documents never suggested that genuine fear of Communism and the new order it would impose was sufficient justification for Chinese refugees to abandon their homes and occupations. In Soviet eyes, Hong Kong provided "asylum for Guomindang reactionaries who wanted to use Hong Kong to launch sabotage raids against South China."⁶⁷

Reports officials at the Guangzhou Soviet consulate submitted at least annually to Moscow focused on the state of the Hong Kong working class and labor movement. Most such reports were quite factual, furnishing near encyclopedic and predominantly objective accounts of political, economic, and social conditions and events in Hong Kong during the preceding six to twelve months and their historical background. Descriptions of the Hong Kong working class and trade union movement and their conditions tended to be less detached and more ideological in nature. One report correctly characterized Hong Kong as highly stratified racially and economically, but rather inaccurately contended that British treatment of the Chinese population had not altered over the previous century. It quite rightly identified a large and badly paid working class of about half a million, but greatly exaggerated in stating that unemployment or

⁶⁴ RTsKhDNI, f. 17, op. 137, d. 722, "Report On the Situation in Hong Kong," 1951; AVP RF, f. 1dvo, op. 44, d. 147, N. Matkov, Staff Attache, Canton, "Political and Economic Position of Hong Kong," p. 4; AVP RF, f. 1dvo, op. 44, d. 147, D. Savostin, Soviet Consulate, Canton, "Some Information on Hong Kong," p. 15; AVP RF, f. 1dvo, op. 45, d. 148, "Information on Hong Kong and Macau," 1952.

⁶⁵ AVP RF, f. dvo, op. 44, d. 147, D. Savostin, Soviet Consulate, Canton, "Some Information on Hong Kong," May 1951, p. 13.

⁶⁶ AVP RF, f. dvo, op. 49, d. 119, L. Grachev, Soviet Consulate, Canton, "Political and Economic Situation of Hong Kong in 1956," p. 11.

⁶⁷ AVP RF, f. 1dvo, op. 43, d. 145, T. Skvortsov and E. Shalunov, Soviet embassy, Beijing, "Report on Hong Kong and Macau," 1950, p. 3.

underemployment meant that large numbers starved to death or committed suicide.⁶⁸ Approximately one-third of Hong Kong's workers belonged to trade unions, among which there were three groups, Communists, Nationalist or Guomindang, and Independent. The pro-Beijing Communist trade unions were hailed as "democratic", whereas the Nationalist unions were all "reactionary, unpopular, and represented the interests only of the capitalists."⁶⁹ Rather ironically the latter report, written in 1955 by V. Kapralov, a Guangzhou consular official, on the eve of Hong Kong's industrial revolution, when growth in manufacturing led to a boom period, predicted that Hong Kong's economic situation would not improve and it had no future as a manufacturing center.⁷⁰

Arguably the most significant event in Hong Kong during the 1950s was a strike by tram workers during the second half of 1955. On 1 July 1955 various tram employees were fired to cut costs, and the remainder were required to work harder and became exhausted, leading them to call a two-hour warning strike on 31 August. When this was unsuccessful, employees held a one-day strike on 10 October. Many other workers sympathized with the strikers, signing petitions and donating assistance in money and food, with the pro-Beijing Federation of Trade Unions collecting and contributing HK\$250,000. Eventually the strikers prevailed and the fired workers were rehired, while many factories in other industries were forced to recognize trade unions. Kapralov reported in detail to the Foreign Ministry on these events, contending that the tram workers represented the "vanguard of the Hong Kong working class", and claiming that, whereas pro-Nationalist trade unions had tried to sabotage the strike, pro-Beijing trade unions employed "moderate methods to conduct the strike."⁷¹ Soviet officials were clearly sympathetic toward the tramworkers' strike, the most extensive such industrial action within Hong Kong up to that date, but there is no evidence that they gave the strikers any assistance or financial support. Had they done so, British and/or American officials would certainly have mentioned it, whereas outside support apparently came only from Beijing, perhaps because any independent Soviet assistance to the strikers might well have antagonized mainland China.

The Soviets recognized that increasingly American officials publicly characterized Hong Kong as an East Asian military stronghold in their battle against Soviet military expansion. In fall 1953 Vice President Richard Nixon reaffirmed this view when he visited the territory and declared that it played a major role in fighting Communism in South Korea, Japan, Taiwan, and indeed the entire Far East.⁷² In 1954, as negotiations to settle the Korean War approached, the battle of Dienbienphu marked the end of

⁶⁸ AVP RF, f. 1dvo, op. 49, d. 119, L. Grachev, Soviet Consulate, Canton, "Political and Economic Position of Hong Kong in 1956," 2 March 1956, p. 6.

⁶⁹ AVP RF, f. 1dvo, op. 42, d. 50, Vice Consul, V. Kapralov, Canton, 1955, p. 29

⁷⁰ Ibid, p. 28.

⁷¹ Ibid, pp. 30-34.

⁷² AVP RF, F. 1dvo, op. 47, d. 106, 10 October-15 November, 1953, p. 7.

French rule in Indochina. Seeking to warn the Soviet Union and China to relax their perceived offensive against “free, democratic countries,” especially Taiwan and Hong Kong, in February 1954 the American, British and French fleets conducted a huge naval exercise, codenamed “Sonata”, in the South China Sea. Up to 10,000 personnel and numerous warships and airplanes participated in the maneuvers, in whose preparation Hong Kong played a major role. On 14 January, the Vice Commander of the British General Staff, the Chief of Staff of the French Army, the American Secretary of Defense, the American naval commander for the Pacific, and the commanders of the other fleets who would participate in the exercises all gathered in Hong Kong. One of their aims, according to Soviet observers, was to instruct the western naval forces how to be involved in anti-submarine warfare against Soviet submarines, approximately one-third of which Western officials believed the Soviets had stationed in the South China Sea. At the Hong Kong meetings Western military representatives also discussed how to conduct a potential blockade of Chinese and Vietnamese ports, or land western troops on the South China coast. In response, Chinese troops, and Soviet ships and submarines in the area went on heightened alert status, and Chinese aircraft and anti-aircraft defenses were ordered to shoot down any airplanes which violated Chinese air space.⁷³ In November 1954 Great Britain conducted additional land, sea, and air exercises in and around Hong Kong, and the following month still further joint American-British naval maneuvers took place off the Hong Kong coast, the biggest military exercises in the region since World War II. In response, in late August 1955 the Soviet Union and China held major joint naval maneuvers north of Shanghai in Yan Yuan Bay in which air squadrons from the Soviet fleet based at Vladivostok also participated, while two Soviet submarines were placed on permanent patrol off the Chinese coast.⁷⁴ These recurrent military exercises heightened regional tensions and involved Hong Kong directly in the Cold War.

The Years of the Sino-Soviet Split, 1956-1970

The period from 1956 to 1970 was probably the most interesting period of all those covered in this essay. The Soviet Union experienced sharpened conflicts among the ideological constraints of anti-colonialism, the anti-Chinese thrust of its geo-political strategy, and the demands of economics. For the first time, the Soviet Union defined its stance toward British rule in Hong Kong, and determined the precise parameters of acceptable behavior for Soviet citizens and firms toward Hong Kong. Soviet officials increasingly recognized the value of Hong Kong in terms of business opportunities, yet even as Sino-Soviet relations deteriorated dramatically, they refused to deviate from their ideologically driven anti-colonial and implicitly pro-PRC policy. In the case of Hong Kong, Marxist-Leninist solidarity with even a deviant Communist state clearly still took precedence over any attempt to improve even economic, let alone political, relations with a British-ruled colony.

⁷³ AVP RF, f. 1dvo, op. 47, d. 105, I. V. Kalabukhov, Soviet Consul, Canton, “Hostile Activities by the United States toward China,” 1954, pp. 50-53.

⁷⁴ AVP RF, F. 1dvo, op 42, d. 50, 1955, p. 149.

The collapse of the Chinese-Soviet alliance and the subsequent Sino-Soviet split had a twofold impact on Soviet policy toward Hong Kong. First, the Soviet Union lost its best source of information on Hong Kong, the Chinese Military-Control Commission, which until then had forwarded intelligence materials to the Soviet consulate in Guangzhou. The last such delo (file) from the Guangzhou consulate which this author could locate dated back to 1956, and in the early 1960s, as China expelled many Soviet diplomats and their families, the consulate itself was forced to close. From then onward Soviet information on Hong Kong came from other sources, such as the Soviet embassies in London, Bangkok, Rangoon, and Manila. Within the Foreign Ministry China experts lost influence to British specialists, who were readier to acquiesce in British rule over Hong Kong. The other major change was that the Soviet Union actively sought to reestablish a permanent presence in Hong Kong, by opening a trade office or a branch of the Moscow Narodny Bank or negotiating contracts with Hong Kong firms. A permanent presence would enable the Soviet Union to obtain independent information on Hong Kong instead of relying on outside “friendly sources”. Moscow also hoped to emulate the western powers by utilizing Hong Kong as a listening post on China.

Until 1958 the Soviet Union took no specific stance on Hong Kong’s status, but when necessary simply reiterated the Chinese position as its own. Nonetheless, some Soviet offices and even sections of the Soviet Foreign Ministry were less clear on the subject. That situation which could not last indefinitely, came to a head in 1957, when the Soviet journal, *Fizikul'tura i sport* (Physical Culture and Sport), featured in its pages the colonial flag of Hong Kong, bearing the British Union Jack in its upper left-hand corner. When Chinese officials observed the flag, whose publication implicitly recognized Hong Kong's colonial status, they predictably complained to the Soviet embassy in Beijing, which responded by writing to Soviet Foreign Minister Andrei Gromyko on 22 March 1958, requesting clear guidance on the Soviet position on Hong Kong’s status. The embassy sent copies of this letter to all Foreign Ministry offices in Moscow and overseas, a tactic designed to force the Foreign Ministry to respond relatively swiftly.⁷⁵ Within two months, Gromyko replied:

As there is some vagueness regarding Soviet attitudes toward the status of Hong Kong, MID [the Soviet Foreign Ministry] has decided to inform the following. Hong Kong is historically and naturally a Chinese territory, which was occupied in the nineteenth century by the English under unequal treaties. The Government of the People's Republic of China considers Hong Kong a Chinese territory and believes it should be united with China. However, China does not openly and forcibly demand its return. This is because the PRC does not want to worsen its relations with Britain in light of the current world political situation...Bearing in mind the possible appearance of holding any wrong ideas about Hong Kong as a territory which belongs to Britain, Soviet offices

⁷⁵ AVP RF, f. dvo (Ki-118), op. 51, d. 28, Letter to Andrei Gromyko, From N. Fedorenko and M. Zimyatin, Soviet embassy, Beijing, 22 March 1958, p. 1

and organizations which have any questions regarding the status of Hong Kong should take into account the position of the Chinese government.⁷⁶

Some individuals and groups within Hong Kong had raised the possibility of granting the colony self-rule and making it a self-governing territory within the British Commonwealth, essentially giving it dominion status, a suggestion China vigorously opposed because self-rule would cement the notion that Hong Kong was separate from China and, if implemented, would delay if not suspend its return to China. Self-rule would also have removed Hong Kong's anachronistic colonial status, and might well have kept it within the western orbit. However great the tensions between itself and the PRC, the Soviet Union fully supported China in rejecting moves toward self-rule for Hong Kong as a western trick.⁷⁷ From a cynical perspective, it was advantageous to Soviet and Chinese propaganda for Hong Kong to remain a colony under direct "imperialist" control. Both Communist powers accepted that the existing colonial system of government, under which Hong Kong had a strong executive led administration headed by a governor directly appointed by London, should continue until Hong Kong returned to China, and staunchly opposed all movements for political reform as diversions designed to maintain western dominance over Hong Kong.

The Soviet Union elaborated this position during a 1962 debate over Chinese refugees in Hong Kong conducted at the United Nations General Assembly, stating that, since Hong Kong was an integral part of China, any consideration of its affairs by the Assembly would constitute interference in the internal concerns of the People's Republic of China. Any such discussion would require PRC participation, which was impossible, given that Taiwan still held China's United Nations seat while the People's Republic was not yet a member. Stating that differences existed among colonial territories, the Soviet delegates drew an interesting comparison. "Of course, the conditions of the various small colonial territories are different. There are territories nowadays which are in the condition of colonial occupation, but which are part of another independent state. For example, Hong Kong and Macau. Such territories, separated from the motherland, must be given back as others had been given back. For example, India was given back its native land."⁷⁸ This last sentence referred to Goa, the Portuguese colony forcibly annexed by India in 1962, like Hong Kong a coastal territory whose separation its mother country had never recognized. The Soviet Union believed there were significant differences between those colonies which had originally only been part of larger contemporary sovereign states such as India and China, and those like Indochina which had enjoyed independent sovereignty before their colonization, arguing that only the latter should be granted independence, while the former should simply return to their mother country, which was solely entitled to determine their future governmental structure. Soviet officials flatly stated that it was for China alone to

⁷⁶ AVP RF, f. dvo (Ki-118), op. 51, d. 28, Response by Andrei Gromyko, 13 May 1958, p. 2.

⁷⁷ Ibid, subsequent circular report, p. 13-15.

⁷⁸ AVP RF, f. 1dvo (KU-718), op. 53, d. 25, R. Iskandrov, Third Secretary, Far East Department, MID USSR, "Broad Survey of Hong Kong and Macau," 16 February 1966, p. 5.

decide when Hong Kong should return to China: “We the Soviet Union will not press China. But the time will come when China will tell the colonials to get out. We will salute this step. But when to do it is the decision of our Chinese friends. We will not hurry them.”⁷⁹

By 1962 Sino-Soviet relations had plummeted to virtual enmity, yet even so the Soviet position on Hong Kong remained unchanged, and indeed scarcely altered from the 1940s onward. The Soviets refused to recognize the legitimacy of British rule in Hong Kong, and argued that Hong Kong should therefore revert to China as soon as possible. China’s failure to implement this gave the Soviet Union some valuable ammunition in the two countries’ increasingly bitter ongoing propaganda battle, and Hong Kong served as a rhetorical weapon which each country could utilize to level charges against the other. Soviet officials highlighted the apparent paradox that by the late 1960s the bulk of the world’s major remaining colonies, namely Hong Kong and Macao, were situated on territory belonging to China, a socialist state whose leadership nonetheless seemed indifferent to their recovery.⁸⁰ The Soviets charged the Chinese with insincerity for claiming continually that Hong Kong was part of China yet taking no measures to regain it. The Soviets inaccurately contended that for well over a century the colonial regime in Hong Kong had remained largely unchanged, accusing Chinese policy toward Hong Kong of outright hypocrisy, and stating that the failure of the Chinese army to attack Hong Kong in late 1949 had astounded the British.⁸¹ Beijing, they further charged, sought only to maintain the status quo in Hong Kong. “The Chinese government actively assists in the exploitation of the Chinese population of Hong Kong. The reason for this policy is so China can keep economic profits for itself.”⁸² In all fairness, while China undoubtedly benefited from Hong Kong’s separate status, which provided the mainland with a source of hard currency, a venue for trade and contacts with other countries, and a base for numerous Chinese companies and banks, there is no evidence that China ever condoned any British exploitation of the local Hong Kong population. Rather more accurately, the Soviets characterized Hong Kong as a locale where China could maintain unofficial contacts with other countries with whom she had no diplomatic relations: Japan, the United States, South Africa, and even Taiwan. Most galling of all, the Chinese also used Hong Kong as a base for anti-Soviet activities, selling and distributing anti-socialist, that is, anti-Soviet, materials in the bookstores they controlled, while in 1966 Chinese pressure persuaded the British to close the only Hong Kong bookstore which still sold Soviet literature. “This Beijing literature was aimed at the destruction of the International and workers’ movement,” the Soviets complained, and moreover circulated via Hong Kong to countries

⁷⁹ AVP RF, f. 1dvo (Ki-718), op. 54, d. 31, Far East Section, MID USSR, No. 440, 10 February 1967, 11 February 1967, p. 8.

⁸⁰ Ibid, “Economic Policies of the PRC in its Relations with Hong Kong and Macau,” 11 December 1967, pp. 108-138.

⁸¹ Ibid, p. 105. In reality the Chinese Communists informed the British in advance that they would not take Hong Kong. Tsang, Hong Kong, p. 70.

⁸² AVP RF, f. 1dvo (ki-718), op. 54, d. 31, “Economic Policies”

around the world. The Soviets even asserted that pro-Beijing Hong Kong Chinese distributed anti-Soviet propaganda to foreign tourists in Hong Kong.⁸³

The mid to late 1960s were also a period of intensifying United States involvement in the Vietnam War. Both China and the Soviet Union resented the degree to which Hong Kong supported American activities in Vietnam. Twice, on 1 September 1965 and again on 1 February 1966, China protested formally to the British government, demanding that it respond quickly to prohibit the use of Hong Kong facilities by the American military. During 1965, for example, three hundred American warships, some nuclear-armed, docked in Hong Kong on their way to or from Vietnam.⁸⁴ In late 1967 Soviet officials commented again on Hong Kong's assistance to the American war effort. "Hong Kong supplies water and food to the American Seventh Fleet which mans the Taiwan Straits and is active in the Vietnam War." The local economy benefited substantially from American servicemen, who frequently visited Hong Kong for "rest and relaxation" from Vietnam.⁸⁵ Hong Kong's role in the Vietnam War nonetheless remained decidedly minor, since it only provided the United States with assorted useful but by no means essential backup facilities. Indeed, British concerns for Chinese sensibilities were such that it was highly unlikely Hong Kong's colonial masters would have permitted it to take any substantial part in the conflict.

Events in Hong Kong during the 1960s

Soviet reporting on specific developments affecting Hong Kong during the 1960s differed from that of the 1940s and 1950s. Largely due to the Sino-Soviet split, it became far more objective, as Soviets diplomats no longer simply repeated Chinese views without any apparent misgivings as to their accuracy. Three examples of the new Soviet style were the reports Moscow received on the famine that devastated China, especially its countryside, in the early 1960s, the subsequent flood of refugees into Hong Kong, and the large scale riots that erupted in 1967.

The famine, Soviet officials stated, was largely caused by economic shortcomings within China, including a shortage of fertilizers, drought, and the deliberate governmental policy of forcing people to leave the cities for the already overcrowded countryside. In rural and urban areas throughout China millions died of starvation, while lack of raw materials caused the closure of factories in Guangdong Province near Hong Kong, generating high unemployment. Privation led some 300,000 Chinese to flee the

⁸³ Ibid, p. 133.

⁸⁴ AVP RF, f. 1dvo (Ki-718), op. 53, d. 25, R. Iskandarov, Far East Department, MID USSR, 12 February 1966, "Broad survey of Hong Kong and Macau," p. 5.

⁸⁵ AVP RF, f. 1dvo (Ki-718), op. 54, d. 31, "Economic Policies of the PRC in its Relations with Hong Kong and Macao" 11 December 1967, pp. 108-138.

mainland for Hong Kong.⁸⁶ Earlier Soviet accounts of Chinese famines and the consequent flood of refugees into Hong Kong had been very different, always ascribing responsibility for these to external factors and foreign machinations rather than misguided Chinese government policies. In the early 1950s, for example, Soviet diplomats termed such famines the result of “sabotage and espionage activities directed against the PRC by Guomindang and American agents.”⁸⁷ Moreover, the Soviets never depicted refugees as ordinary people fleeing intense poverty and government induced crises, but as “reactionary Chinese criminals fleeing the victory of Communism to avoid their just punishment.”⁸⁸ In 1962 Soviet reporting on refugees remained less than completely objective. One report, for example, claimed that the desire of the Hong Kong media to promulgate anti-Communist propaganda and embarrass the Chinese authorities over their “internal difficulties” was the major reason why the local press highlighted those problems impelling refugees to leave. Even so, the Soviets admitted that disasters both natural and government-induced had led them to flee mainland China.⁸⁹

During 1967 large-scale riots erupted in Hong Kong, precipitated in part by internal factors, including shortages of good jobs, decent housing, and education opportunities, especially for young men, but most significantly by the Cultural Revolution’s transmigration to Hong Kong. Factories, businesses, schools, and public transport closed, and several times that year Hong Kong came to a virtual halt for days at a time. Over fifty people died and hundreds were wounded in street battles in which demonstrators confronted both police and troops, as the British bolstered their garrison with Gurkha forces and hired additional police. Tourism evaporated and many foreigners fled the territory, fearing for their lives. Like most other major powers, the Soviet Union watched the riots attentively, and in the second half of 1967 the Foreign Ministry received four detailed reports describing and analyzing the riots, one from the Bangkok and three from the London embassy. Perhaps due to Thailand’s proximity to these events, the Bangkok report of June 1967, which drew on the opinions of both local Bangkok informed sources and academic specialists on Chinese affairs, was by far the most hostile toward the PRC. Its anti-Chinese bias possibly reflected the strongly negative views of the PRC and its policies prevailing throughout Southeast Asia at the height of the Vietnam War, when many believed that China, through its alleged proxy North Vietnam, sought to conquer all of Southeast Asia for Communism. The Bangkok report specifically stated that Beijing had instigated the riots in pursuit of its own political and especially propagandistic objectives, in

⁸⁶ AVP RF, f. 1dvo, op. 49, d. 41, Ye. Brezhneva, “Report on Refugees from China,” 27 June-1 September 1962, p. 2.

⁸⁷ AVP RF, f. 1dvo, op. 44, d. 147, N. Matkov, Political and Economic Position of Hong Kong,” 31 December 1951, p. 5; AVP RF, f. 1dvo, op. 43, d. 145, T. Skvortsov and E. Shalunov, “Information about Hong Kong and Macao” 1950, p. 3.

⁸⁸ RTsKhIDNI, f. 17, op. 137, d. 720, D. Savostin, Soviet Consulate, Canton, “Some Facts about Hong Kong,” Briefing background for Stalin and Molotov, 12 May 1951.

⁸⁹ AVP RF, f. dvo, op. 49, d. 41, Ye. Brezhneva, “Report on the Refugees from China,” 27 June-1 September 1962, pp. 2-6.

particular to pressure the British for supporting the United States in Vietnam, and to remind them that ultimately Chinese power within Hong Kong surpassed that of Britain. One final Chinese goal was to divert the PRC's population from the internal problems generated in large part by the Cultural Revolution. The report completely ignored the possibility that internal Hong Kong conditions had helped to cause the riots.⁹⁰

By contrast, a contemporaneous report from the Soviet embassy in London stated that, while the impact of the Cultural Revolution was one contributory factor underlying the riots, poor living conditions for Hong Kong workers was another. The London report described how the riots erupted in April at two factories in Kowloon, precipitated by a dispute between factory managers and workers over their low wages and poor working conditions. Exacerbating the problem, management closed the factories and fired the workers. May saw the beginning of fierce riots, which were only temporarily suppressed by British troops and Hong Kong police, using rubber truncheons and tear gas. The first London report of June 1967 criticized the Chinese for describing these events as a "fascist massacre against patriotic students, teachers and other co-patriots armed only with the ideas of Mao."⁹¹ Emphasizing the crucial role China played in provoking these riots, in a subsequent report in August Third Secretary B. Chiudinov of the London embassy stated that "any future riots would be directed by the Chinese government."⁹² Both the Bangkok and London reports listed with little comment the Chinese demands: that the British cease all repressive measures against the rioters; that the Hong Kong government free all those it had arrested and apologize to them, the injured, and the families of those killed; and finally that Britain pledge never again to use repressive measures in Hong Kong. Soviet silence on these matters indicated the degree to which the Soviets were hedging their bets on the Hong Kong situation.

Chinese rioters in Hong Kong failed and by fall 1967 the worst of the unrest had subsided. All Soviet reports mentioned that the British had used force against the demonstrators until order had been restored, but only the Bangkok report stated that the authorities enjoyed the support of most ordinary Hong Kong people, "who are oriented toward Taiwan and have pro-British and Taiwan views." The PRC sought a face-saving explanation for its failure, recalling some organizers of the riots to Beijing, while Prime Minister Zhou Enlai established a commission to determine why the riots had not "mobilize[d] the masses." The Communist Party in Guangzhou sent representatives to Hong Kong, who sharply criticized Hong Kong Communist Party leaders for failing to secure mass popular support. The Soviet report mentioned that, "rather than utilizing political objectives, Hong Kong Communists used financial inducements (HK\$10 to

⁹⁰ AVP RF, f. 1dvo (Ki-718), op. 54, d. 31, V. Azariushkin, Soviet embassy, Thailand, "On Events in Hong Kong," 10 June 1967, pp. 19-21.

⁹¹ Ibid, B. Chiudinov, Soviet embassy, London, "Events in Hong Kong and the Deterioration in Chinese-British Relations," 17 June 1967, pp. 25-33.

⁹² Ibid, "Further Developments on the Events in Hong Kong and on English-Chinese Relations," 3 August 1967, pp. 35-43.

15 per day). When the British authorities got really tough with the demonstrators, the Chinese payments increased to three pounds, two shillings, six pence a day (about US\$10 to 15, about six times more).⁹³ The report stated that when the riots began, Hong Kong Communist leaders had assured Beijing the demonstrations would attract popular support. When they did not do so, Beijing issued new instructions to Hong Kong Communists and their supporters, that they should cease the clashes, revert to underground methods, such as small strikes and protests, and also “educate the population to hate the British”, tactics which the Soviets pointed out marked a clear retreat for China.⁹⁴

The London reports also stressed the problems the riots caused Britain, including the damage inflicted on Sino-British relations as China twice protested formally to Britain, anti-British demonstrations erupted in several Chinese cities, the British consulate in Shanghai was closed, and the embassy in Beijing sacked. “Britain was afraid.”⁹⁵ Furthermore, Hong Kong’s very survival ultimately depended upon Chinese goodwill. The British had grave fears that border clashes between Chinese and British troops might escalate, or that China could take Hong Kong without even using military force, since by the late 1960s Hong Kong depended almost entirely on Chinese sources for water and food. The reports mentioned that after the riots Britain actively sought to restore at least reasonable relations with China, yet recognized that the situation there remained unstable, since in 1967 the Cultural Revolution was still in its early, most violent and incalculable phase, and Hong Kong remained only superficially calm. “Below the surface, the British recognized that riots could erupt at any time the Chinese wanted.”⁹⁶ Predictably, the riots had negative effects on the Hong Kong economy, especially on foreign investment and tourism, and Britain recognized that Hong Kong’s prosperity depended upon the maintenance of relative tranquility within the territory. The reports concluded that neither China nor Britain nor Hong Kong had emerged victorious from the 1967 riots. Diplomats in the embassies in London, Bangkok, Manila, and Rangoon, especially specialists on British affairs located in London, thus became more influential in determining Soviet policy toward Hong Kong, at the expense of the previously dominant “China hands” in Moscow and the Soviet embassy in Beijing.

Business Opportunities during the 1960s

The escalating influence of more economically-minded non-Chinese specialists may have been one reason why during the 1960s the mutually incompatible demands of ideological anti-colonialism and anti-capitalism, geopolitics, and economic self-interest increasingly came into conflict. The consistently uncompromising Soviet ideological stance repeatedly undercut geo-political and economic considerations,

⁹³ Ibid.

⁹⁴ Ibid.

⁹⁵ Ibid, “Events in Hong Kong the and Deterioration in Chinese-British Relations,” 17 June 1967.

⁹⁶ Ibid, p. 43.

which ascribed increasing significance to Hong Kong precisely because it remained separate from China, presenting the Soviets with opportunities which would have been unavailable had Hong Kong been simply another Chinese city. Soviet perceptions of Hong Kong's economic potential for themselves persisted from the mid to late 1960s, despite the territory's growing involvement in American military undertakings in Vietnam. Soviet officials had to devise a formula that would facilitate greater Soviet economic activity in Hong Kong while compromising neither ideological purity nor Russian strategic interests in the Pacific. For the Soviet Union, Hong Kong could provide both economic advantages and coveted and much-needed information on mainland China. Yet it remained under the colonial rule of Britain, simultaneously an exponent of imperialism and a firm strategic opponent harboring persistent deep suspicions of Soviet intentions. The Soviet Union therefore theoretically deplored and could not openly tolerate the political status quo in Hong Kong without losing the ideological high ground.

Over time Soviet views of Hong Kong indeed became more positive. By the 1960s reports to Foreign Ministry could no longer ignore the huge changes Hong Kong was experiencing, as its Industrial Revolution generated increasing prosperity and dynamism, making it "an open port and one of the world's leading trading centers. More than 700 foreign banks and companies are located there." Hong Kong housed consulates not only of western states, whose main purpose the Soviets believed was to conduct intelligence activities, but also of other countries from around the world, whose principal objective was to facilitate business. While Foreign Ministry reports still mentioned poverty in Hong Kong, they no longer accorded this the same prominence as in the 1940s and 1950s. Soviet diplomats argued that Hong Kong's relationship to China was far from entirely negative, since it also functioned as a "China trade counter-agent and liaison for trade for capitalist countries, as well as a source of hard currency for China. For example, each year more than US\$500 million dollars came into China from Hong Kong."⁹⁷ According to Soviet calculations: "In 1964 exports from China to Hong Kong amounted to US\$516 million, in 1965 these had grown to US\$608 million, and by 1966, some US\$730 million."⁹⁸ Positive Soviet impressions of Hong Kong emphasized the new perspective of Soviet officials on the territory as offering their country potentially profitable economic opportunities resembling those available to China and Western nations.

In August 1964 Herman Travel Center, a California-based American travel agency with a Hong Kong office, requested Soviet permission to represent Aeroflot Airlines in Hong Kong and sell Aeroflot tickets to Hong Kong residents who wished to visit the Soviet Union either on business or as tourists. Aeroflot did not yet serve Hong Kong, but Hong Kong residents who wished to travel to Russia could

⁹⁷ AVP RF, f. 1dvo (Ki-718), op. 53, d. 25, 16 February 1966, R. Iskandarov, Far East Department, MID USSR, p. 3.

⁹⁸ AVP RF, f. 1dvo (Ki-718), op. 54, d. 31, V. Azariushkin, Soviet Embassy, Bangkok, "On Events in Hong Kong," 10 June 1967, pp. 19-21.

journey either to Beijing or Bangkok, where they could board Aeroflot airplanes bound for Moscow. Intourist, the official Soviet tourist agency, sought Foreign Ministry advice on this proposal, commenting that Herman Travel had dealt with it many times in the past, and that, although not large, it possessed branch offices in numerous countries. “It knows the condition of tourism and transport in the Soviet Union, and could send a lot of passengers to the Soviet Union [underlining by Intourist].”⁹⁹ Intourist enclosed pamphlets giving additional information on the company, one of which stated: “The Director of Herman Travel has visited the USSR twice. The company has already sent forty tourists to the Soviet Union. It has arranged for visas for people through the Soviet embassies in Tokyo, Delhi and Karachi. The company has a bank account at the Soviet Vneshtorgbank, and puts advertisements in the local press to promote travel to the Soviet Union. The firm also helps stateless people—mostly Russians—to get Soviet visas.” Intourist characterized Herman Travel as a friendly company, genuinely eager to promote travel and tourism to the Soviet Union, as were a further two larger travel agencies.¹⁰⁰

Two years later, in July 1966, the Soviet Ministry of Civil Aviation remained interested in negotiating agreements with suitable overseas agents to handle Aeroflot tickets in Hong Kong. By this time the list of potential travel companies had expanded to three: World Travel Inc., the parent company of Herman Travel; CITA; and the Hong Kong Travel Bureau. Writing to the Far Eastern Section of the Foreign Ministry, V. Danil'chev, Vice Chief of the Ministry of Civil Aviation's International Department, stated that his ministry was “interested in having agents of Aeroflot in such a busy center as Hong Kong where there are numerous international companies,” and sought Foreign Ministry advice and guidance on the matter.¹⁰¹ Six months later A. Besedin of the Ministry of Civil Aviation told the Foreign Ministry that the headquarters of both CITA and World Travel were located in the United States, inquiring: “In connection with this, could this influence your conclusion?”¹⁰² While Aeroflot, Intourist, and the Ministry of Civil Aviation were ready to award a potentially lucrative contract to an American company, they feared that tense Soviet-United States relations might lead the Foreign Ministry to veto the contract.

For some time the Foreign Ministry remained undecided as to whether to permit any foreign company, and if so, which, to become an Aeroflot agent. Meanwhile, the Soviets opened a new air route from Moscow to Tokyo, presenting even greater potential for significant Hong Kong tourist and business traffic to the Soviet Union, because Russian-bound Hong Kong residents could easily fly to Tokyo to board direct Aeroflot flights to Moscow. In January 1967 Besedin wrote on Aeroflot's behalf to N. G. Sudarikov of the

⁹⁹ AVP RF, f. 1dvo (Ki-732), op. 51, d. 30, August 1964, p. 1.

¹⁰⁰ Ibid, V. Lebedev, “Information on Herman Travel.”

¹⁰¹ AVP RF, f. 1dvo (Ki-718), op. 53, d. 25, Letter to the Far East Section of MID, USSR, N. G. Sudarikov, from Department of International Air Services, the Ministry of Civil Aviation, 1 February 1966, p. 1.

¹⁰² Ibid, Letter to the Far East Section of MID, N. G. Sudarikov, from the Ministry of Civil Aviation, Department of International Air Services, A. Besedin, 24 July 1966.

Foreign Ministry, reiterating that three Hong Kong travel agencies which already worked with Intourist sought to act as Aeroflot agencies, identifying these as Compass Travel (formerly Herman Travel Center), the American Lloyd Travel Service, Limited, and Mitravel International (Asia), Limited. He continued: "All three named firms promise to attract to Aeroflot in 1967 over four hundred tourists from Hong Kong and other countries. The Ministry of Civil Aviation is considering an agreement with them regarding air transport on the basis of the approved typed agreement (enclosed with letter) with payments in commissions up to 7.5% in accounts in US dollars. I ask you for your opinion about the possibility of recommending such an agreement with the above named tourist firms in Hong Kong."¹⁰³ Given increasing Hong Kong tourist traffic to the Soviet Union and the pointed request from the Ministry of Civil Aviation, the Foreign Ministry could not delay its decision much longer. Three weeks later, on 1 February 1967, Sudarikov sent Besedin a short letter granting Aeroflot permission to make such arrangements with any or all of the three companies, so long as these were clearly understood to be purely commercial understandings, implying no Soviet recognition of Hong Kong as either a British colony or a territory separate from China. Sudarikov specifically stated: "1. The agreement will not have formulations, which could be interpreted as recognition by us of Hong Kong's status as an English colony. 2. Nor recognition by us of the separate status of Hong Kong. 3. Any signed contracts with the firms could only remain as commercial activities."¹⁰⁴ The Soviet ideological position on Hong Kong's status would therefore not impede increased business opportunities. These three conditions, which had to be included in all such contracts, became standard Soviet Foreign Ministry policy in connection with subsequent commercial dealings with Hong Kong ventures, applying the position stated by Gromyko in 1958 to specific business propositions of the 1960s, yet ensuring that the Soviet ideological position on Hong Kong's status did not disrupt growing opportunities for profitable business ties.

Later that month a Soviet Foreign Ministry report on Hong Kong mentioned that several Soviet foreign trade organizations, including "Raznoyeksport," "Medeksport," and others, had already negotiated commercial contracts with Hong Kong firms. The report further stated that Hong Kong-Soviet trade amounted to the not insignificant sum of \$2 million dollars annually, and that Aeroflot, Intourist, and other Soviet travel bureaus had signed contracts with Hong Kong firms governing air transport and tourism. The report concluded that all Soviet organizations which concluded contracts "did so under the basis that Hong Kong is an 'occupied' Chinese territory, but not a 'colony', or a 'self-ruled' territory. All contracts do not go beyond the commercial question."¹⁰⁵ As further potential business deals between Hong Kong companies

¹⁰³ AVP RF, f. dvo (Ki-718), op. 54, d. 31, Letter to N. G. Sudarikov, From A. Besedin, Ministry of Civil Aviation, 12 January 1967, p. 1.

¹⁰⁴ Ibid, letter to A. Besedin, Chief, Department of International Air Services, Ministry of Civil Aviation, From N. G. Sudarikov, Far East Section, MID, 1 February 1967, p. 2.

¹⁰⁵ Ibid, Far East Section, MID USSR, No 440, "General Report on Hong Kong and Macau," 11 February 1967, p. 9.

and Soviet trading firms developed, each request was forwarded to the Foreign Ministry for approval. A Hong Kong mail order firm, for example, “Shop-Buy-Mail”, wrote stating: “We are interested in trade with the Soviet Union for antiquarian products, souvenirs, fake [costume] jewelry, furs and leather, and Russian national costumes. We are interested in the import of these goods from your country.”¹⁰⁶ Shortly afterward Cathay Pacific, Hong Kong’s main air carrier, requested Aeroflot that the two companies should conclude “an agreement for commercial cooperation and land service for transit passengers who are changing planes.” Besedin of the Ministry of Civil Aviation, who handled this matter for Aeroflot, recommended a positive Foreign Ministry response, in part because Cathay Pacific “has flights to eighteen international airports, including Jakarta, Rangoon, and Tokyo, which Aeroflot also flies to.”¹⁰⁷ Within a few weeks the Foreign Ministry responded affirmatively that Aeroflot could conclude an agreement with Cathay Pacific, subject to conditions almost identical to those in its contracts with Hong Kong travel businesses, namely: “The text of the agreement must not contain any statement that could be construed as recognition by us of Hong Kong’s status as an English colony or any recognition of Hong Kong’s possible independent status.”¹⁰⁸ In such cases the Soviet Foreign Ministry sought to finesse an almost impossible situation to permit Soviet organizations to do business with companies operating in a territory the existence of whose government the Soviets did not even recognize. However creative their intention, these conditions naturally hampered the development of more extensive business and trade contacts and raised questions as to whether such Soviet policies could continue indefinitely, in circumstances, for example, in which Hong Kong courts under the British government’s jurisdiction might have to settle business disputes over the observance or interpretation of such contracts.

Enhanced contacts between Hong Kong and Soviet firms were only one aspect of expanding Hong Kong-Soviet links. Its growing interest in Hong Kong led the Soviet Union once again to seek permanent representation in the territory, something they had lacked since 1948 and whose re-establishment would enable Soviet representatives to gather information and intelligence data on events and trends in both Hong Kong and mainland China. On 29 May 1956, the Soviet Union first requested permission from the British government to open a trading office in Hong Kong. For over a year the British government deferred any formal response, though this delay did not denote any British uncertainty over the eventual reply. All those British departments affected, the Foreign Office, the Colonial Office, and the Board of Trade, together with the Hong Kong government, unanimously favored a negative response, but they could not decide which among them should reject the Soviet proposal and on what formal grounds, economic or political, it should

¹⁰⁶ Ibid, Translation into Russian of letter written in English from the Hong Kong corporation “Shop-Buy – Mail” to MID, February 1967.

¹⁰⁷ Ibid, letter to V. I. Likhachev, Head of the Far East Section, MID USSR, From A. Besedin, Head of the Department of International Air Services, Ministry of Civil Aviation, May 1967.

¹⁰⁸ Ibid, Letter to A. Besedin, Head of Department of International Air Services, Ministry of Civil Aviation, From V. Likachev, Head of the Far East Section, MID USSR, 29 May 1967.

base this denial. The Hong Kong government suggested turning down the request for economic reasons, by stating that trade between the two states was insufficient to warrant a permanent Soviet office. At the time Hong Kong annual exports to the USSR were only worth about HK\$3 million, while Soviet imports to Hong Kong were minimal. The Board of Trade dissented mildly from this approach, since such commerce might increase in the near future. The Foreign Office categorically opposed any formal Russian presence in Hong Kong. On 1 May 1957 the British government ultimately decided to send V. A. Kamensky, the Soviet trade representative in London, a letter formally refusing the Soviet request, which was delivered on 21 May. On 6 September Kamensky sent a written response stating that he considered the British refusal unjustified, but the British in their turn thought his protest unconvincing, arguing that nothing in Britain's commercial agreements with the Soviets required throwing open British colonies to Soviet trade, and no such trade office was opened. At a diplomatic reception C. Brimlow a secretary at the Foreign Office told Kamensky that the Soviet secret police (GRU) often used Soviet commercial offices overseas as cover for conducting "undesirable" activities, allegations Kamensky unavailingly denied.¹⁰⁹

In 1964 the issue of a permanent Soviet trade office arose again. In January 1964 several Soviet nationals separately requested Hong Kong visas from the British government. Commercial Attache Sladkovskii of the Soviet embassy in Beijing claimed he wished to visit Hong Kong merely to purchase various goods on behalf of his country. In Bangkok V. B. Spandarian, head of the Soviet delegation to the Committee of Trade of the United Nations Economic Commission for Asia and the Far East Committee, made a second, unofficial request to a Mr. Dorward of the Hong Kong Department of Commerce and Industry. The British believed that Spandarian sought to entice them into granting the requested permission by "holding out the bait of commercial advantages" when, in conversation with Dorward, he "referred to the possibility of substantial opportunities for Hong Kong consumer goods on the Soviet market". A third request came from Tokyo, where Soviet embassy officials pressed their British counterparts to reverse their decision to refuse a visa to a certain Ilyin, a Soviet journalist who sought to visit Hong Kong simultaneously with Sladkovskii. The British remarked Ilyin claimed he wished to do so only for "a holiday, which hardly seems consistent with these [official Soviet] representations." Still another, fourth request for a Hong Kong visa came from London, from Mr. Doubonossov, the manager of the London branch of the Moscow Narodny Bank, purportedly to enable him to meet representatives of Hong Kong banks and other financial institutions.¹¹⁰

In the Hong Kong government's view: "The evidence is not conclusive, but it does suggest a deliberate Soviet intention to extend their influence here, and in the context of the Sino-Soviet quarrel this

¹⁰⁹ PRO, FO 371, 129053 (1957).

¹¹⁰ PRO, FO 371, 177697, NS 1161/2, 16 February 1964. Letter from E. G. Willan, Hong Kong Government to J. D. Higham, Colonial Office, London.

would be a logical step. Since there is no reason to believe that this would work to our advantage, and a distinct likelihood that it would add to our problems, the balance of local advantage seemed to us to keep the Russians out of Hong Kong from the outset."¹¹¹ Despite requests from Hong Kong government officials that the British Foreign Office should refuse all Soviet requests for visas, in general such visas were granted. The Colonial Office declared that, while no permanent Soviet office should be allowed in Hong Kong, "occasional visits should be allowed if genuine commercial reasons exist. On this occasion there are genuine commercial reasons." The Foreign Office itself was divided. W. K. Slather, head of the Northern Department, which handled the Soviet Union, wished to deny these requests, believing that their objective was not commercial but the gathering of intelligence information. A. B. Brunswick, his superior within the Foreign Office, feared a British refusal might lead the Soviets to retaliate by rejecting British requests for Soviet visas, and therefore supported the British embassy in Beijing in urging that Sladkovskii receive a visa. Brunswick responded to the Hong Kong government's concern that such visits would affront Chinese sensibilities by stating that, while the Chinese would strongly deprecate any permanent Soviet presence in Hong Kong, they would raise few objections to occasional visits by individual Soviet citizens.¹¹² Eventually Sladkovskii, together with Katusov, his commercial aide in Beijing, received the requested visas, whereas the journalist Ilyin was refused. Spandarian's unofficial verbal inquiry in Bangkok never became a formal official request, so he never visited Hong Kong. In March 1967, E. G. Willan of the Hong Kong government reported to the Colonial Office on the recent visit by Sladkovskii and Katusov, which passed off uneventually despite the fears of both the Hong Kong and Chinese governments. The two men met representatives from banks and other companies that had business dealings with the Soviet Union. Otherwise: "Most of their time was spent doing the things that most tourists here do, and they went back over the border with three extra heavily laden suit-cases of purchases." Hong Kong Special Branch personnel watched them almost incessantly, leading the British to surmise that Soviet consciousness of this constant surveillance was one reason for the innocence of their behavior. The report concluded: "We must therefore continue to mistrust Soviet intentions vis-a-vis Hong Kong."¹¹³

Doubovossov received no decision on his visa application to meet with Hong Kong bankers until Sladkovskii and Katusov had both left Hong Kong; on 28 February 1964 his visa was finally authorized, on the understanding that he had no intention of trying to open a Hong Kong branch of the Moscow Narodny Bank.¹¹⁴ When Doubovossov arrived in Hong Kong on 14 March, the British government accepted that he would almost certainly explore the possibility of eventually establishing a Hong Kong branch of his bank,

¹¹¹ Ibid.

¹¹² Ibid.

¹¹³ Ibid. PRO, FO 371, 177697, NS 1161/2, 17 February 1964. Letter from E. G. Willan, Hong Kong Government to J. D. Higham, Colonial Office, London, NS 1161/5, Letter from E. G. Willan, Hong Kong Government to J. D. Higham, Colonial Office, London, 23 March 1964.

¹¹⁴ PRO, FO 371, 177697, NS 1161/4, 1964.

but were apparently no longer greatly concerned over the prospect. A British employee of the Moscow Narodny Bank, a Mr. J. A. H. G. Smith, accompanied Doubovossov, and the two seemed to regard Hong Kong as offering lucrative prospective business opportunities, including that of using a branch of their bank as an outlet for Soviet gold. The British accepted that none of their activities during this trip seemed related to the visits other Russians had made to Hong Kong the previous month, but characterized all as “symptom[s] of the same phenomenon of increasing Soviet interests in Hong Kong.” In April, J. D. Higham of the Colonial Office nonetheless conceded that “all told the evidence of Soviet activity in Hong Kong amounts to very little. Recent signs of Russian interest are straws in the wind.” He proceeded, however, to warn that both China and local Hong Kong Communists were very apprehensive over “the possible development of a Russian presence in the colony. Trading links could serve propaganda and intelligence purposes.” Higham therefore concluded that “visits by Russians should be few and far between. Surveillance of all Russians was viewed as necessary by the Special Branch [the British local security service], which was already overtaxed.”¹¹⁵

The lengthy agonizing of assorted British government departments over whether or not to grant visas to a few Soviet nationals was symptomatic of several considerations. First, the British clearly mistrusted the Soviet desire to establish any permanent office in Hong Kong and would refuse permission for this. Secondly, even requests by individual Soviet citizens for Hong Kong visas gave rise to protracted debates at the highest levels in several departments, and were only granted on a separate case-by-case basis. Thirdly, the reasons privately stated when such requests were given embraced not just British but also Chinese apprehensions over the potential activities of such Soviet nationals in Hong Kong, and the British worried that admitting too many Soviets into Hong Kong might jeopardize their own relations with the Chinese government. By contrast, the Soviet Foreign Ministry generally took a very low key approach to the issue. In 1967 a general report on Hong Kong by its Far Eastern Section merely mentioned that Soviet trade representatives in China had visited Hong Kong three times, in May 1962, February 1964, and once again in late 1966, trips for which “[e]ntrance visas were granted by the United Kingdom.” This report and other archival sources never mentioned either the general or specific difficulties Soviet citizens encountered on such occasions in obtaining visas.¹¹⁶

Conclusions

Soviet policy toward Hong Kong from 1945 to 1970 aptly illustrated the trilateral Cold War tensions among ideology, geopolitics, and economics. Indubitably, throughout this period Hong Kong’s

¹¹⁵ Ibid. NS 1161/6, April 1964.

¹¹⁶ AVP RF, F. 1dvo (Ki-718), op. 54, d. 31, General Report on Hong Kong and Macau, 11 February 1967, Far East Section, MID, No. 440.

economic significance to the Soviet Union remained small, although from a strategic perspective it provided the Western powers with useful naval and intelligence facilities which clearly irritated the Soviets. Ideologically Soviet officials hewed to the Marxist-Leninist line that all western colonies should be released from the grip of their European masters and granted independence. Soviet foreign policy makers did not even accord Hong Kong colonial status, treating it as simply an occupied territory, an integral part of China, whose independent existence separate of China they therefore considered unacceptable. Yet economic realities and, to some degree, especially from the late 1950s onward, geopolitical factors, made it impossible for them to ignore Hong Kong. As Hong Kong prospered and became an ever more prominent commercial center, the Soviet Union recognized the necessity and desirability of doing business with the territory. Its problem was how to deal economically with an entity whose legitimacy it did not even recognize, a dilemma the Soviets handled differently in each of the three periods covered in this essay. Invariably, though, the Cold War ideological and strategic rivalry between the Soviet Union and the Western bloc placed serious constraints upon the effectiveness of Soviet Hong Kong policies.

During the Cold War's formative period in Asia, from 1945 to 1948, China itself was weak, divided, and in chaos, while Hong Kong was also weak, poor, and much in need of reconstruction after the wartime Japanese occupation. The Soviet Union asserted strongly that China should recover the territory at the earliest possible moment; yet the Nationalist Chinese government faced innumerable far more pressing issues, above all that of its own survival. Until a suitable opportunity arose for China to regain Hong Kong, the Soviet Union remained quietly active in Hong Kong, where it still maintained a permanent presence and Hong Kong-based Soviet personnel. In 1949 Chinese Communist forces swiftly conquered China. As the Communist armies neared the frontier with Hong Kong, the Soviet Union urged them to cross the border and forcibly retake Hong Kong, but the Chinese refused. It is interesting to speculate upon the international consequences had the Chinese Communists taken Soviet advice and attempted to seize Hong Kong, which might well have precipitated war, or at least open fighting, between China and the United Kingdom, which had stationed substantial land, naval, and air forces in the territory. Ironically, however, British apprehensions over the future, generated not only by the intensifying Cold War in Europe but also by the increasing probability of a Communist victory in China, may well have been the crucial factor impelling the Hong Kong authorities to close all Soviet offices in Hong Kong and expel all their remaining personnel.

From 1950 to 1956 the Soviet Union subordinated its policies to those of its close ally, the People's Republic of China, which normally placed its own self-interest well ahead of Soviet concerns. Its intelligence and information on developments within Hong Kong depended completely on Chinese sources. The Chinese military frequently forwarded lengthy reports on Hong Kong to the Soviet consulate in Guangzhou, which were then translated into Russian and forwarded to the Foreign Ministry in Moscow, which never queried them but simply accepted such reports as accurate, indicating, perhaps, Hong Kong's

relatively minor significance to Soviet foreign policy. As the Cold War intensified in Asia, with military contests between Communist and anti-Communist forces flaring up in Korea and Indochina, the Soviet Union feared Hong Kong would become an American base, which would limit the freedom of action of the Soviet Pacific Fleet. In this period, ideological distaste for “outposts of western imperialism” remained paramount in Soviet thinking. The Soviet Union maintained a strong interest in Hong Kong, evidenced by the large number of reports on Hong Kong, over forty delo, included in the Foreign Ministry Archive for this period, but the direct Soviet role in the colony remained extremely small. Despite its official rhetoric to the contrary, China, by contrast, apparently tolerated Hong Kong's status as a British colony, largely because Hong Kong's continuing separation from itself proved extremely profitable to China. Even when Hong Kong was used as a base for American backed Guomindang espionage and terrorist raids into South China, the PRC only protested perfunctorily to the British.

In the third period covered in this essay, from 1957 to 1970, conflicting impulses affected Soviet policy toward Hong Kong. With British goodwill, the Soviet Union conceivably might have found the colony both a source of valuable intelligence on China and a useful trading partner. Yet ideological considerations of two kinds constrained its ability to attain these benefits. Despite the Sino-Soviet split, the Soviet Union refused to abandon its commitment to anti-colonialism and its stated position that the British administration was illegitimate, and therefore Hong Kong should be returned to China. All contracts included caveats to this effect. Moreover, throughout the Cold War the British authorities themselves viewed with great suspicion any Soviet attempt to enhance its activities in Hong Kong, and only after 1989 would such apprehensions lose their force. Only in 1994, when the Cold War had ended and the Soviet Union collapsed, would the Russians be allowed to reestablish a permanent diplomatic and commercial presence in the territory. Soviet prospects of gaining even a toehold in British-run Hong Kong were constrained by their own anti-western foreign policy, and also by British reluctance to irritate China during the Sino-Soviet split by allowing Soviet diplomats or other personnel easy access to Hong Kong. Moreover, from 1950 onward Hong Kong provided the western powers with useful though not vital naval facilities, which posed a continuing strategic threat to the Soviet position in the Pacific. From 1950 to 1989, therefore, the dictates of Soviet policy and the international situation left Soviet options and room for maneuver toward Hong Kong exceptionally limited.